

CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 2878

Chapter 121, Laws of 2008

(partial veto)

60th Legislature
2008 Regular Session

TRANSPORTATION BUDGET--SUPPLEMENTAL

EFFECTIVE DATE: 03/25/08

Passed by the House March 12, 2008
Yeas 67 Nays 28

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 11, 2008
Yeas 45 Nays 4

BRAD OWEN

President of the Senate

Approved March 25, 2008, 11:03 a.m.,
with the exception of sections 102(6),
206(6), 212(2), 224(12), 224(14), 306
(16), 306(17), 407(12), and 602 which
are vetoed.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of
the House of Representatives of
the State of Washington, do hereby
certify that the attached is
**ENGROSSED SUBSTITUTE HOUSE BILL
2878** as passed by the House of
Representatives and the Senate on
the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

March 25, 2008

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 2878

AS RECOMMENDED BY THE CONFERENCE COMMITTEE

Passed Legislature - 2008 Regular Session

State of Washington 60th Legislature 2008 Regular Session

By House Transportation (originally sponsored by Representative Clibborn; by request of Office of Financial Management)

READ FIRST TIME 02/22/08.

1 AN ACT Relating to transportation funding and appropriations;
2 amending RCW 46.68.110; amending 2007 c 518 ss 101, 102, 103, 104, 105,
3 106, 107, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 212, 213,
4 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227,
5 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 401, 402, 403, 404,
6 405, 406, 407, 501, 502, 503, and 713 (uncodified); adding new sections
7 to 2007 c 518 (uncodified); making appropriations and authorizing
8 capital improvements; and declaring an emergency.

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

10 **2007-09 BIENNIUM**

11 **GENERAL GOVERNMENT AGENCIES--OPERATING**

12 **Sec. 101.** 2007 c 518 s 101 (uncodified) is amended to read as
13 follows:

14 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

15	Grade Crossing Protective Account--State	
16	Appropriation	((\$505,000))
17		<u>\$504,000</u>

1 *Sec. 102. 2007 c 518 s 102 (uncodified) is amended to read as
2 follows:

3 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

4 Motor Vehicle Account--State Appropriation	((\$3,054,000))
	\$3,577,000
6 <u>State Patrol Highway Account--State Appropriation</u>	\$100,000
7 Puget Sound Ferry Operations Account--State	
8 Appropriation	\$100,000
9 TOTAL APPROPRIATION	((\$3,154,000))
10	\$3,777,000

11 The appropriations in this section are subject to the following
12 conditions and limitations:

13 (1) \$2,545,000 of the motor vehicle account--state appropriation is
14 provided solely for the office of regulatory assistance integrated
15 permitting project.

16 (2) \$75,000 of the motor vehicle account--state appropriation is
17 provided solely to address transportation budget and reporting
18 requirements.

19 (3) \$100,000 of the state patrol highway account--state
20 appropriation is provided solely for a study of the most cost-effective
21 means of ensuring that the pension concerns of the members of the
22 Washington state patrol retirement system are adequately and
23 appropriately considered and submitted to the legislature. The office
24 of financial management shall solicit participation and guidance from
25 the senate ways and means committee, the house of representatives
26 appropriations committee, the department of retirement systems, the
27 Washington state patrol troopers association, the Washington state
28 patrol lieutenants association, the Washington state patrol, and the
29 office of the state actuary, and report the study recommendations to
30 the legislature by November 1, 2008.

31 (4) The department shall make a recommendation to the
32 transportation committees of the legislature by December 1, 2008, as to
33 whether Washington state ferries marine employees should be covered
34 under workman's compensation.

35 (5) \$400,000 of the motor vehicle account--state appropriation is
36 provided solely for the continued maintenance and support of the
37 transportation executive information system (TEIS).

(6) The office of financial management shall work collaboratively with the house of representatives and senate transportation committees to ensure that future budget proposals reflect criteria for performance excellence and earned value measures, and align with the goals and performance measures contained within the state transportation progress report.

**Sec. 102 was partially vetoed. See message at end of chapter.*

Sec. 103. 2007 c 518 s 103 (uncodified) is amended to read as follows:

FOR THE MARINE EMPLOYEES COMMISSION

Puget Sound Ferry Operations Account--State

Appropriation	(((\$422,000))
	<u>\$434,000</u>

The appropriation in this section is subject to the following conditions and limitations: A maximum of \$22,000 may be expended to pay the department of personnel for conducting the 2007 salary survey.

Sec. 104. 2007 c 518 s 104 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Motor Vehicle Account--State Appropriation	(((\$985,000))
	<u>\$983,000</u>

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation in this section is provided solely for road maintenance purposes.

Sec. 105. 2007 c 518 s 105 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE

Motor Vehicle Account--State Appropriation	(((\$1,358,000))
	<u>\$1,355,000</u>

The appropriation in this section is subject to the following conditions and limitations:

(1) \$351,000 of the motor vehicle account--state appropriation is provided solely for costs associated with the motor fuel quality program.

(2) (((\$1,007,000)) \$1,004,000 of the motor vehicle account--state

1 appropriation is provided solely to test the quality of biofuel. The
2 department must test fuel quality at the biofuel manufacturer,
3 distributor, and retailer.

4 **Sec. 106.** 2007 c 518 s 106 (uncodified) is amended to read as
5 follows:

6 **FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**
7 Motor Vehicle Account--State Appropriation ((~~\$223,000~~)
8 \$340,000)

9 The appropriation in this section is subject to the following
10 conditions and limitations: The entire appropriation is provided
11 solely for (~~staffing costs to be dedicated to state~~) transportation
12 activities. Staff hired to support transportation activities must have
13 practical experience with complex construction projects.

14 **Sec. 107.** 2007 c 518 s 107 (uncodified) is amended to read as
15 follows:

16 **FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**
17 Motor Vehicle Account--State Appropriation ((~~\$1,595,000~~)
18 \$1,195,000)

19 The appropriation in this section is subject to the following
20 conditions and limitations:

21 (1) (~~\$800,000~~) \$400,000 of the motor vehicle account--state
22 appropriation is provided solely for the continued maintenance and
23 support of the transportation executive information system (TEIS).

24 (2) \$795,000 of the motor vehicle account--state appropriation is
25 provided solely for development of a new transportation capital
26 budgeting system and transition of a copy of the transportation
27 executive information system (TEIS) to LEAP. At a minimum, the new
28 budgeting system development effort must provide comprehensive
29 schematic diagrams of the current and proposed transportation capital
30 budget process, information flows, and data exchanges; common, agreed-
31 upon data definitions and business rules; detailed transportation
32 capital budget data and system requirements; and a strategy for
33 implementation, including associated costs and a timeframe.

TRANSPORTATION AGENCIES--OPERATING

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Sec. 201. 2007 c 518 s 201 (uncodified) is amended to read as follows:

FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway Safety Account--State Appropriation	((\$2,609,000))
	<u>\$2,605,000</u>
Highway Safety Account--Federal Appropriation	((\$15,880,000))
	<u>\$15,845,000</u>
School Zone Safety Account--State Appropriation	((\$3,300,000))
	<u>\$3,376,000</u>
TOTAL APPROPRIATION	((\$21,789,000))
	<u>\$21,826,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$76,000 of the school zone safety account--state appropriation is provided solely for contracting with the office of the superintendent of public instruction (OSPI) to conduct pilot programs in three school districts for road safety education and training for children, in order to teach children safe walking, bicycling, and transit use behavior. The pilot projects shall be conducted during the 2008-09 academic year, and shall be modeled after a program and curriculum successfully implemented in the Spokane school district. Funds are provided for curriculum resources, bicycle purchases, teacher training, other essential services and equipment, and OSPI administrative expenses which may include contracting out pilot program administration. The participating school districts shall be located as follows: One in Grant county, one in Island county, and one in Kitsap county. The OSPI shall evaluate the pilot programs, and report to the transportation committees of the legislature no later than December 1, 2009, on the outcomes of the pilot programs. The report shall include a survey identifying barriers to, interest in, and the likelihood of students traveling by biking, walking, or transit both prior to and following completion of the pilot program.

Sec. 202. 2007 c 518 s 202 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account--State Appropriation	((\$907,000))
	<u>\$900,000</u>

1 Motor Vehicle Account--State Appropriation ((~~\$2,075,000~~))
2 \$2,058,000
3 County Arterial Preservation Account--State
4 Appropriation ((~~\$1,399,000~~))
5 \$1,388,000
6 TOTAL APPROPRIATION ((~~\$4,381,000~~))
7 \$4,346,000

8 The appropriations in this section are subject to the following
9 conditions and limitations: \$481,000 of the county arterial
10 preservation account--state appropriation is provided solely for
11 continued development and implementation of a maintenance management
12 system to manage county transportation assets.

13 **Sec. 203.** 2007 c 518 s 203 (uncodified) is amended to read as
14 follows:

15 **FOR THE TRANSPORTATION IMPROVEMENT BOARD**

16 Urban Arterial Trust Account--State Appropriation . . . ((~~\$1,793,000~~))
17 \$1,778,000
18 Transportation Improvement Account--State
19 Appropriation ((~~\$1,795,000~~))
20 \$1,780,000
21 TOTAL APPROPRIATION ((~~\$3,588,000~~))
22 \$3,558,000

23 **Sec. 204.** 2007 c 518 s 204 (uncodified) is amended to read as
24 follows:

25 **FOR THE BOARD OF PILOTAGE COMMISSIONERS**

26 Pilotage Account--State Appropriation ((~~\$1,156,000~~))
27 \$1,152,000

28 **Sec. 205.** 2007 c 518 s 205 (uncodified) is amended to read as
29 follows:

30 **FOR THE JOINT TRANSPORTATION COMMITTEE**

31 Motor Vehicle Account--State Appropriation ((~~\$2,103,000~~))
32 \$2,513,000
33 Multimodal Transportation Account--State Appropriation . . . \$550,000
34 TOTAL APPROPRIATION ((~~\$2,653,000~~))

The appropriations in this section (~~is~~) are subject to the following conditions and limitations:

(1) (~~(\$500,000)~~) \$750,000 of the motor vehicle account--state appropriation is for establishing a work group to implement Engrossed Substitute House Bill No. 2358 (regarding state ferries) and review other matters relating to Washington state ferries. The cochairs of the committee shall establish the work group comprising committee members or their designees, an appointee by the governor, and other stakeholders as appointed by the cochairs, to assist in the committee's work. The work group shall report (~~the progress of~~) on its tasks to the transportation committees of the legislature by December (~~15, 2007~~) 2008. The work group is tasked with the following:

(a) Implementing the recommendations of Engrossed Substitute House Bill No. 2358 (regarding state ferries). As directed by Engrossed Substitute House Bill No. 2358, the committee work group shall participate in and provide a review of the following:

(i) The Washington transportation commission's development and interpretation of a survey of ferry customers;

(ii) The department of transportation's analysis and reestablishment of vehicle level of service standards. In reestablishing the standards, consideration must be given to whether boat wait is the appropriate measure;

(iii) The department's development of pricing policy proposals. In developing these policies, the policy, in effect on some routes, of collecting fares in only one direction must be evaluated to determine whether one-way fare pricing best serves the ferry system;

(iv) The department's development of operational strategies;

(v) The department's development of terminal design standards; and

(vi) The department's development of a long-range capital plan;

(b) Reviewing the following Washington state ferry programs:

(i) Ridership demand forecast;

(ii) Updated life cycle cost model, as directed by Engrossed Substitute House Bill No. 2358;

(iii) Administrative operating costs, nonlabor and nonfuel operating costs, Eagle Harbor maintenance facility program and maintenance costs, administrative and systemwide capital costs, and vessel preservation costs; and

1 (iv) The Washington state ferries' proposed capital cost allocation
2 plan methodology, as described in Engrossed Substitute House Bill No.
3 2358;

4 (c) Making recommendations regarding:

5 (i) The most efficient timing and sizing of future vessel
6 acquisitions beyond those currently authorized by the legislature.
7 Vessel acquisition recommendations must be based on the ridership
8 projections, level of service standards, and operational and pricing
9 strategies reviewed by the committee and must include the impact of
10 those recommendations on the timing and size of terminal capital
11 investments and the state ferries' long range operating and capital
12 finance plans; and

13 (ii) Capital financing strategies for consideration in the 2009
14 legislative session. This work must include confirming the
15 department's estimate of future capital requirements based on a long
16 range capital plan and must include the department's development of a
17 plan for codevelopment and public private partnership opportunities at
18 public ferry terminals; and

19 (d) Evaluate the capital cost allocation plan methodology developed
20 by the department to implement Engrossed Substitute House Bill No.
21 2358.

22 (2) \$250,000 of the motor vehicle account--state appropriation and
23 \$250,000 of the multimodal transportation account--state appropriation
24 are for the continuing implementation of (~~Substitute Senate Bill No.~~
25 ~~5207~~) chapter 514, Laws of 2007.

26 (3) \$300,000 of the multimodal transportation account--state
27 appropriation is for implementing Substitute House Bill No. 1694
28 (coordinated transportation). If Substitute House Bill No. 1694 is not
29 enacted by June 30, 2007, the amount provided in this subsection shall
30 lapse.

31 (4) \$150,000 of the motor vehicle account--state appropriation is
32 for the Puget Sound regional council to conduct a pilot program for
33 multimodal concurrency analysis. This pilot program will analyze total
34 trip needs for a regional growth center based on adopted land use
35 plans, identify the number of trips which can be accommodated by
36 planned roadway, transit service, and nonmotorized investments, and
37 identify gaps for trips that cannot be served and strategies to fill

1 those gaps. The purpose of this pilot is to demonstrate how this type
2 of multimodal concurrency analysis can be used to broaden and
3 strengthen local concurrency programs.

4 *Sec. 206. 2007 c 518 s 206 (uncodified) is amended to read as
5 follows:

6 **FOR THE TRANSPORTATION COMMISSION**

7	Motor Vehicle Account--State Appropriation	((\$2,276,000))
8		<u>\$2,322,000</u>
9	Multimodal Transportation Account--State Appropriation . . .	\$112,000
10	TOTAL APPROPRIATION	((\$2,388,000))
11		<u>\$2,434,000</u>

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 (1) \$350,000 of the motor vehicle account--state appropriation is
15 provided solely for the commission to conduct a survey of ferry
16 customers as described in Engrossed Substitute House Bill No. 2358.
17 Development and interpretation of the survey must be done with
18 participation of the joint transportation committee work group
19 established in section 205(1) of this act.

20 ~~(2) ((\$100,000 of the motor vehicle account--state appropriation is~~
21 ~~provided solely for a study to identify and evaluate long term~~
22 ~~financing alternatives for the Washington state ferry system. The~~
23 ~~study shall incorporate the findings of the initial survey described in~~
24 ~~subsection (1) of this section, and shall consider the potential for~~
25 ~~state, regional, or local financing options. The commission shall~~
26 ~~submit a draft final report of its findings and recommendations to the~~
27 ~~transportation committees of the legislature no later than December~~
28 ~~2008.~~

29 ~~(3))~~ The commission shall conduct a planning grade tolling study
30 that is based on the recommended policies in the commission's
31 comprehensive tolling study submitted September 20, 2006.

32 (3) Pursuant to RCW 43.135.055, during the 2007-09 fiscal biennium,
33 the transportation commission shall establish, periodically review,
34 and, if necessary, modify a schedule of toll charges applicable to the
35 state route 167 high-occupancy toll lane pilot project, as required by
36 RCW 47.56.403.

1 (4) Pursuant to RCW 43.135.055, during the 2007-09 fiscal biennium,
2 the transportation commission shall periodically review, and, if
3 necessary, modify the schedule of toll charges applicable to the Tacoma
4 Narrows bridge, taking into consideration the recommendations of the
5 citizen advisory committee created by RCW 47.46.091.

6 (5) \$205,000 of the motor vehicle account--state appropriation is
7 provided solely for a study of potential revenue sources for the
8 Washington state ferry system. The study must model and assess the
9 revenue generating potentials of feasible alternative funding sources.
10 The revenue forecasting models must be dynamic and ownership of these
11 models must be retained by the commission. The commission shall
12 develop revenue source recommendations that will generate revenue equal
13 to or greater than the funding level identified by the ferries finance
14 study of the joint transportation committee referenced in section 205
15 of this act, and shall report its recommendations to the transportation
16 committees of the legislature by November 15, 2008.

17 (6) The transportation commission shall develop recommendations to
18 reduce and control tolling operations costs. These recommendations
19 shall be presented to the transportation committees of the state
20 legislature by December 1, 2008. To this end, the commission shall
21 generate benchmarks to evaluate program efficiencies. They shall also
22 review and confirm data necessary to evaluate tolling operations. The
23 department of transportation shall cooperate with the commission and
24 provide documents and data to assist with this evaluation.

**Sec. 206 was partially vetoed. See message at end of chapter.*

25 **Sec. 207.** 2007 c 518 s 207 (uncodified) is amended to read as
26 follows:

27 **FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

28 Motor Vehicle Account--State Appropriation ((\$695,000))
29 \$691,000

30 The appropriation in this section is subject to the following
31 conditions and limitations:

32 (1) The freight mobility strategic investment board shall, on a
33 quarterly basis, provide status reports to the office of financial
34 management and the transportation committees of the legislature on the
35 delivery of projects funded by this act.

36 (2) The freight mobility strategic investment board and the
37 department of transportation shall collaborate to submit a report to

1 the office of financial management and the transportation committees of
2 the legislature by September 1, 2008, listing proposed freight highway
3 and rail projects. The report must describe the analysis used for
4 selecting such projects, as required by chapter 47.06A RCW for the
5 board and as required by this act for the department. When developing
6 its list of proposed freight highway and rail projects, the freight
7 mobility strategic investment board shall use the priorities identified
8 in section 309(7)(a) of this act to the greatest extent possible.

9 **Sec. 208.** 2007 c 518 s 208 (uncodified) is amended to read as
10 follows:

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

12 State Patrol Highway Account--State	
13 Appropriation	((\$225,445,000))
14	<u>\$226,924,000</u>
15 State Patrol Highway Account--Federal	
16 Appropriation	\$10,602,000
17 State Patrol Highway Account--Private/Local	
18 Appropriation	\$410,000
19 TOTAL APPROPRIATION	((\$236,457,000))
20	<u>\$237,936,000</u>

21 The appropriations in this section are subject to the following
22 conditions and limitations:

23 (1) Washington state patrol officers engaged in off-duty uniformed
24 employment providing traffic control services to the department of
25 transportation or other state agencies may use state patrol vehicles
26 for the purpose of that employment, subject to guidelines adopted by
27 the chief of the Washington state patrol. The Washington state patrol
28 shall be reimbursed for the use of the vehicle at the prevailing state
29 employee rate for mileage and hours of usage, subject to guidelines
30 developed by the chief of the Washington state patrol.

31 (2) In addition to the user fees, the patrol shall transfer into
32 the state patrol nonappropriated airplane revolving account under RCW
33 43.79.470 no more than the amount of appropriated state patrol highway
34 account and general fund funding necessary to cover the costs for the
35 patrol's use of the aircraft. The state patrol highway account and
36 general fund--state funds shall be transferred proportionately in

1 accordance with a cost allocation that differentiates between highway
2 traffic enforcement services and general policing purposes.

3 (3) The patrol shall not account for or record locally provided DUI
4 cost reimbursement payments as expenditure credits to the state patrol
5 highway account. The patrol shall report the amount of expected
6 locally provided DUI cost reimbursements to the governor and
7 transportation committees of the senate and house of representatives by
8 September 30th of each year.

9 (4) \$1,662,000 of the state patrol highway account--state
10 appropriation is provided solely for the implementation of Substitute
11 House Bill No. 1304 (commercial vehicle enforcement). If Substitute
12 House Bill No. 1304 is not enacted by June 30, 2007, the amount
13 provided in this subsection shall lapse.

14 (5) During the (~~fiscal year 2008~~) 2007-2009 biennium, the
15 Washington state patrol shall continue to perform traffic accident
16 investigations on Thurston, Mason, and Lewis county roads(~~(, and shall~~
17 ~~work with the counties to transition the)~~) when requested to do so by
18 the respective county; however, the counties shall conduct traffic
19 accident investigations on county roads (~~(to the counties by July 1,~~
20 ~~2008)~~) beginning July 1, 2009.

21 (6) \$100,000 of the state patrol highway account--state
22 appropriation is provided solely for the implementation of Substitute
23 House Bill No. 1417 (health benefits for surviving dependents). If
24 Substitute House Bill No. 1417 is not enacted by June 30, 2007, the
25 amount provided in this subsection shall lapse.

26 (7) \$3,300,000 of the state patrol highway account--state
27 appropriation is provided solely for the salaries and benefits
28 associated with accretion in the number of troopers employed above
29 1,158 authorized commissioned troopers, or solely for training new
30 cadets; however, the amount provided in this subsection is contingent
31 on the Washington state patrol submitting a 2009-11 budget request that
32 fully funds field force operations without reliance on a projected
33 vacancy rate. The Washington state patrol shall perform a study with
34 a final report due to the legislative transportation committees by
35 December 1, 2008, on the advantages and disadvantages of staffing the
36 commercial vehicle enforcement section with commissioned officers
37 instead of commercial vehicle enforcement officers.

1 (8) By July 1, 2008, the Washington state patrol shall assign six
2 additional troopers to the Monroe detachment from among troopers
3 requesting transfer to Monroe or graduating cadet classes.

4 **Sec. 209.** 2007 c 518 s 209 (uncodified) is amended to read as
5 follows:

6 **FOR THE WASHINGTON STATE PATROL--INVESTIGATIVE SERVICES BUREAU**
7 State Patrol Highway Account--State Appropriation . . . ((~~\$1,300,000~~))
8 \$1,552,000

9 **Sec. 210.** 2007 c 518 s 210 (uncodified) is amended to read as
10 follows:

11 **FOR THE WASHINGTON STATE PATROL--TECHNICAL SERVICES BUREAU**
12 State Patrol Highway Account--State Appropriation . . . ((~~\$103,157,000~~))
13 \$102,726,000
14 State Patrol Highway Account--Private/Local
15 Appropriation \$2,008,000
16 TOTAL APPROPRIATION ((~~\$105,165,000~~))
17 \$104,734,000

18 The appropriations in this section are subject to the following
19 conditions and limitations:

20 (1) The Washington state patrol shall work with the risk management
21 division in the office of financial management in compiling the
22 Washington state patrol's data for establishing the agency's risk
23 management insurance premiums to the tort claims account. The office
24 of financial management and the Washington state patrol shall submit a
25 report to the legislative transportation committees by December 31st of
26 each year on the number of claims, estimated claims to be paid, method
27 of calculation, and the adjustment in the premium.

28 (2) ((~~\$12,641,000~~)) \$9,981,000 of the total appropriation is
29 provided solely for automobile fuel in the 2007-2009 biennium.

30 (3) ((~~\$8,678,000~~)) \$7,461,000 of the total appropriation is
31 provided solely for the purchase of pursuit vehicles.

32 (4) ((~~\$5,254,000~~)) \$6,328,000 of the total appropriation is
33 provided solely for vehicle repair and maintenance costs of vehicles
34 used for highway purposes.

35 (5) \$384,000 of the total appropriation is provided solely for the

1 purchase of mission vehicles used for highway purposes in the
2 commercial vehicle and traffic investigation sections of the Washington
3 state patrol.

4 (6) The Washington state patrol may submit information technology
5 related requests for funding only if the patrol has coordinated with
6 the department of information services as required by section 602 of
7 this act.

8 (7) \$630,000 of the total appropriation is provided solely for the
9 ongoing software maintenance and technical support for the digital
10 microwave system. The Washington state patrol shall coordinate with
11 the other members of the Washington state interoperability executive
12 committee to ensure compatibility between emergency communication
13 systems.

14 **Sec. 211.** 2007 c 518 s 212 (uncodified) is amended to read as
15 follows:

16 **FOR THE DEPARTMENT OF LICENSING**

17	Marine Fuel Tax Refund Account--State Appropriation	\$32,000
18	Motorcycle Safety Education Account--State	
19	Appropriation	((\$3,905,000))
20		<u>\$3,898,000</u>
21	Wildlife Account--State Appropriation	((\$843,000))
22		<u>\$830,000</u>
23	Highway Safety Account--State Appropriation	((\$141,953,000))
24		<u>\$145,444,000</u>
25	Highway Safety Account--Federal Appropriation	\$233,000
26	Motor Vehicle Account--State Appropriation	((\$79,230,000))
27		<u>\$78,235,000</u>
28	Motor Vehicle Account--Private/Local Appropriation	\$1,372,000
29	Motor Vehicle Account--Federal Appropriation	((\$117,000))
30		<u>\$1,354,000</u>
31	Department of Licensing Services Account--State	
32	Appropriation	((\$3,540,000))
33		<u>\$4,639,000</u>
34	Washington State Patrol Highway Account--State	
35	Appropriation	\$1,145,000
36	TOTAL APPROPRIATION	((\$232,370,000))
37		<u>\$237,182,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) \$2,941,000 of the highway safety account--state appropriation
4 is provided solely for the implementation of Substitute House Bill No.
5 1267 (modifying commercial driver's license requirements). If
6 Substitute House Bill No. 1267 is not enacted by June 30, 2007, the
7 amount provided in this subsection shall lapse. The department shall
8 informally report to the legislature by December 1, 2008, with
9 measurable data indicating the department's progress in meeting its
10 goal of improving public safety by improving the quality of the
11 commercial driver's license testing process.

12 (2) \$716,000 of the motorcycle safety education account--state
13 appropriation is provided solely for the implementation of Senate Bill
14 No. 5273 (modifying motorcycle driver's license endorsement and
15 education provisions). If Senate Bill No. 5273 is not enacted by June
16 30, 2007, the amount provided in this subsection shall lapse.

17 (3) (~~(\$8,872,000)~~) (a) \$12,422,000 of the highway safety account--
18 state appropriation is provided solely for costs associated with the
19 (~~(systems development and issuance of)~~) processing costs of issuing
20 enhanced drivers' licenses and identicards (~~(to facilitate crossing the~~
21 ~~Canadian border. If Engrossed Substitute House Bill No. 1289 (relating~~
22 ~~to the issuance of enhanced drivers' licenses and identicards) is not~~
23 ~~enacted by June 30, 2007, the amount provided in this subsection shall~~
24 ~~lapse. The department may expend funds only after acceptance of the~~
25 ~~enhanced Washington state driver's license for border crossing purposes~~
26 ~~by the Canadian and United States governments. The department may~~
27 ~~expend funds only after prior written approval of the director of~~
28 ~~financial management)). (b) Of the amount provided in (a) of this
29 subsection, up to \$1,000,000 is for a statewide educational campaign,
30 which must include coordination with existing public and private
31 entities, to inform the Washington public of the benefits of the new
32 enhanced drivers' licenses and identicards. Funds may be spent on
33 educational campaigns only after the caseload for enhanced drivers'
34 licenses and identicards falls below levels that can be reasonably
35 processed by the department within the appropriation provided by this
36 subsection. \$300,000 of the \$1,000,000 is for the department to
37 partner with cross-border tourism businesses to create an educational
38 campaign.~~

1 (c) Of the amount provided in (a) of this subsection, \$10,722,000
2 is provided solely for costs associated with providing enhanced
3 driver's license processing at 14 licensing services offices.

4 (d) Of the amount provided in (a) of this subsection, \$700,000 is
5 provided solely for costs associated with extending hours beyond
6 current regular business hours at the 14 licensing service offices that
7 provide enhanced driver's license processing services.

8 (4) \$91,000 of the motor vehicle account--state appropriation and
9 \$152,000 of the highway safety account--state appropriation are
10 provided solely for contracting with the office of the attorney general
11 to investigate criminal activity uncovered in the course of the
12 agency's licensing and regulatory activities. Funding is provided for
13 the 2008 fiscal year. The department may request funding for the 2009
14 fiscal year if the request is submitted with measurable data indicating
15 the department's progress in meeting its goal of increased prosecution
16 of illegal activity.

17 (5) \$350,000 of the highway safety account--state appropriation is
18 provided solely for the costs associated with the systems development
19 of the interface that will allow insurance carriers and their agents
20 real time, online access to drivers' records. If Substitute Senate
21 Bill No. 5937 is not enacted by June 30, 2007, the amount provided in
22 this subsection shall lapse.

23 (6) \$1,145,000 of the state patrol highway account--state
24 appropriation is provided solely for the implementation of Substitute
25 House Bill No. 1304 (modifying commercial motor vehicle carrier
26 provisions). If Substitute House Bill No. 1304 is not enacted by June
27 30, 2007, the amount provided in this subsection shall lapse.

28 (7) The department may submit information technology related
29 requests for funding only if the department has coordinated with the
30 department of information services as required by section 602 of this
31 act.

32 ~~((Within the amounts appropriated in this section, the~~
33 ~~department shall, working with the legislature, develop a proposal to))~~
34 \$116,000 of the motor vehicle account--state appropriation is provided
35 solely for the department to prepare draft legislation that streamlines
36 title and registration statutes to specifically address apparent
37 conflicts, fee distribution, and other ~~((recommendations by the~~
38 ~~department))~~ relevant issues that are revenue neutral and which do not

1 change legislative policy. The department shall (~~report the results~~
2 ~~of this review to the transportation committees of the legislature by~~
3 ~~December 1, 2007~~) submit the draft legislation to the transportation
4 committees of the legislature by the end of the biennium.

5 (9) \$246,000 of the department of licensing services account--state
6 appropriation is provided solely for the implementation of Substitute
7 House Bill No. 3029 (secure vehicle licensing system). If Substitute
8 House Bill No. 3029 is not enacted by June 30, 2008, the amount
9 provided in this subsection shall lapse.

10 (10) \$200,000 of the highway safety account--state appropriation is
11 provided solely for the implementation of Senate Bill No. 6885 (driving
12 record abstracts). If Senate Bill No. 6885 is not enacted by June 30,
13 2008, the amount provided in this subsection shall lapse.

14 (11) \$417,000 of the highway safety account--state appropriation is
15 provided solely for the implementation of Engrossed Second Substitute
16 House Bill No. 3254 (ignition interlock drivers' license). If
17 Engrossed Second Substitute House Bill No. 3254 is not enacted by June
18 30, 2008, the amount provided in this subsection shall lapse.

19 (12) \$100,000 of the department of licensing services
20 account--state appropriation is provided solely for the implementation
21 of Engrossed Second Substitute House Bill No. 2817 (contaminated
22 vehicles). If Engrossed Second Substitute House Bill No. 2817 is not
23 enacted by June 30, 2008, the amount provided in this subsection shall
24 lapse.

25 (13) The department shall investigate instituting a program whereby
26 individual registered vehicle owners may have license plates tested for
27 reflectivity to determine whether the department's requirement that the
28 license plates be replaced after seven years can be waived for that
29 particular set of license plates.

30 *Sec. 212. 2007 c 518 s 213 (uncodified) is amended to read as
31 follows:

32 **FOR THE DEPARTMENT OF TRANSPORTATION--TOLL OPERATIONS AND**
33 **MAINTENANCE--PROGRAM B**

34 High-Occupancy Toll Lanes Account--State
35 Appropriation ((\$2,596,000))
36 \$2,253,000
37 Motor Vehicle Account--State Appropriation ((\$5,600,000))

1		<u>\$600,000</u>
2	Tacoma Narrows Toll Bridge Account--State	
3	Appropriation	((\$28,218,000))
4		<u>\$28,322,000</u>
5	TOTAL APPROPRIATION	((\$36,414,000))
6		<u>\$31,175,000</u>

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

9 ~~((1) \$5,000,000 of the motor vehicle account state is provided
10 solely to provide a reserve for the Tacoma Narrows Bridge project.
11 This appropriation shall be held in unallotted status until the office
12 of financial management deems that revenues applicable to the Tacoma
13 Narrows Bridge project are not sufficient to cover the project's
14 expenditures.~~

15 ~~(2) The department shall solicit private donations to fund
16 activities related to the opening ceremonies of the Tacoma Narrows
17 bridge project.)~~ The department shall develop incentives to reduce
18 and control tolling operations costs. These incentives may be directed
19 at the public, the tolling contractor, or the department. Incentives
20 to be considered should include, but not be limited to: Incentives to
21 return unneeded transponders, incentives to close inactive accounts,
22 incentives to reduce printed account statements, incentives to reduce
23 labor costs, and incentives to reduce postage and shipping costs.
24 These incentives shall be presented for review by the transportation
25 commission by September 30, 2008.

*Sec. 212 was partially vetoed. See message at end of chapter.

26 **Sec. 213.** 2007 c 518 s 214 (uncodified) is amended to read as
27 follows:

28 **FOR THE DEPARTMENT OF TRANSPORTATION--INFORMATION TECHNOLOGY--PROGRAM**
29 **C**

30	Transportation Partnership Account--State	
31	Appropriation	((\$4,556,000))
32		<u>\$5,892,000</u>
33	Motor Vehicle Account--State Appropriation	((\$67,613,000))
34		<u>\$67,710,000</u>
35	Motor Vehicle Account--Federal Appropriation	\$1,096,000
36	Puget Sound Ferry Operations Account--State	
37	Appropriation	((\$9,192,000))

1		<u>\$9,143,000</u>
2	Multimodal Transportation Account--State	
3	Appropriation	\$363,000
4	Transportation 2003 Account (Nickel Account)--State	
5	Appropriation	((\$4,000,000))
6		<u>\$5,337,000</u>
7	TOTAL APPROPRIATION	((\$86,820,000))
8		<u>\$89,541,000</u>

9 The appropriations in this section are subject to the following
10 conditions and limitations:

11 (1) The department shall consult with the office of financial
12 management and the department of information services to ensure that
13 (a) the department's current and future system development is
14 consistent with the overall direction of other key state systems; and
15 (b) when possible, use or develop common statewide information systems
16 to encourage coordination and integration of information used by the
17 department and other state agencies and to avoid duplication.

18 (2) The department shall provide updated information on six project
19 milestones for all active projects, funded in part or in whole with
20 2005 transportation partnership account funds or 2003 nickel account
21 funds, on a quarterly basis in the transportation executive information
22 system (TEIS). The department shall also provide updated information
23 on six project milestones for projects, funded with preexisting funds
24 and that are agreed to by the legislature, office of financial
25 management, and the department, on a quarterly basis in TEIS.

26 (3) ((~~\$2,300,000~~)) \$3,300,000 of the motor vehicle account--state
27 appropriation is provided solely for preliminary work needed to
28 transition the department to the state government network. In
29 collaboration with the department of information services the
30 department shall complete an inventory of the current network
31 infrastructure, ((and)) develop an implementation plan for transition
32 to the state government network, improve security, and initiate
33 connection to the state government network.

34 (4) \$1,000,000 of the motor vehicle account--state appropriation,
35 ((~~\$4,556,000~~)) \$5,892,000 of the transportation partnership account--
36 state appropriation, and ((~~\$4,000,000~~)) \$5,337,000 of the
37 transportation 2003 account (nickel account)--state appropriation are
38 provided solely for the department to develop a project management and

1 reporting system which is a collection of integrated tools for capital
2 construction project managers to use to perform all the necessary tasks
3 associated with project management. The department shall integrate
4 commercial off-the-shelf software with existing department systems and
5 enhanced approaches to data management to provide web-based access for
6 multi-level reporting and improved business workflows and reporting.
7 Beginning September 1, 2007, and on a quarterly basis thereafter, the
8 department shall report to the office of financial management and the
9 transportation committees of the legislature on the status of the
10 development and integration of the system. The first report shall
11 include a detailed work plan for the development and integration of the
12 system including timelines and budget milestones. At a minimum the
13 ensuing reports shall indicate the status of the work as it compares to
14 the work plan, any discrepancies, and proposed adjustments necessary to
15 bring the project back on schedule or budget if necessary.

16 (5) The department may submit information technology related
17 requests for funding only if the department has coordinated with the
18 department of information services as required by section 602 of this
19 act.

20 (6) \$1,600,000 of the motor vehicle account--state appropriation is
21 provided solely for the critical application assessment implementation
22 project. The department shall submit a progress report on the critical
23 application assessment implementation project to the house of
24 representatives and senate transportation committees on or before
25 December 1, 2007, and December 1, 2008, with a final report on or
26 before June 30, 2009.

27 **Sec. 214.** 2007 c 518 s 215 (uncodified) is amended to read as
28 follows:

29 **FOR THE DEPARTMENT OF TRANSPORTATION--FACILITY MAINTENANCE, OPERATIONS**
30 **AND CONSTRUCTION--PROGRAM D--OPERATING**
31 Motor Vehicle Account--State Appropriation (~~(\$34,569,000)~~)
32 \$33,982,000

33 **Sec. 215.** 2007 c 518 s 216 (uncodified) is amended to read as
34 follows:

35 **FOR THE DEPARTMENT OF TRANSPORTATION--AVIATION--PROGRAM F**
36 Aeronautics Account--State Appropriation (~~(\$6,889,000)~~)

1		<u>\$7,866,000</u>
2	Aeronautics Account--Federal Appropriation	\$2,150,000
3	Multimodal Transportation Account--State Appropriation	\$631,000
4	TOTAL APPROPRIATION	((\$9,670,000))
5		<u>\$10,647,000</u>

6 The appropriations in this section are subject to the following
7 conditions and limitations: The entire multimodal transportation
8 account--state appropriation (~~is~~) and \$400,000 of the aeronautics
9 account--state appropriation are provided solely for the aviation
10 planning council as provided for in RCW 47.68.410.

11 **Sec. 216.** 2007 c 518 s 217 (uncodified) is amended to read as
12 follows:

13 **FOR THE DEPARTMENT OF TRANSPORTATION--PROGRAM DELIVERY MANAGEMENT AND**
14 **SUPPORT--PROGRAM H**

15	Transportation Partnership Account--State	
16	Appropriation	\$2,422,000
17	Motor Vehicle Account--State Appropriation	((\$50,446,000))
18		<u>\$52,275,000</u>
19	Motor Vehicle Account--Federal Appropriation	\$500,000
20	Multimodal Transportation Account--State	
21	Appropriation	\$250,000
22	Transportation 2003 Account (Nickel Account)--State	
23	Appropriation	\$2,422,000
24	TOTAL APPROPRIATION	((\$56,040,000))
25		<u>\$57,869,000</u>

26 The appropriations in this section (~~is~~) are subject to the
27 following conditions and limitations: \$2,422,000 of the transportation
28 partnership account appropriation and \$2,422,000 of the transportation
29 2003 account (nickel account)--state appropriation are provided solely
30 for consultant contracts to assist the department in the delivery of
31 the capital construction program by identifying improvements to program
32 delivery, program management, project controls, program and project
33 monitoring, forecasting, and reporting. The consultants shall work
34 with the department of information services in the development of the
35 project management and reporting system.

36 The consultants shall provide an updated copy of the capital

1 construction strategic plan to the legislative transportation
2 committees and to the office of financial management on June 30, 2008,
3 and each year thereafter.

4 The department shall coordinate its work with other budget and
5 performance efforts, including Roadmap, the findings of the critical
6 applications modernization and integration strategies study, including
7 proposed next steps, and the priorities of government process.

8 The department shall report to the transportation committees of the
9 house of representatives and senate, and the office of financial
10 management, by December 31, 2007, on the implementation status of
11 recommended capital budgeting and reporting options. Options must
12 include: Reporting against legislatively-established project
13 identification numbers and may include recommendations for reporting
14 against other appropriate project groupings; measures for reporting
15 progress, timeliness, and cost which create an incentive for the
16 department to manage effectively and report its progress in a
17 transparent manner; and criteria and process for transfers of funds
18 among projects.

19 **Sec. 217.** 2007 c 518 s 218 (uncodified) is amended to read as
20 follows:

21 **FOR THE DEPARTMENT OF TRANSPORTATION--ECONOMIC PARTNERSHIPS--PROGRAM**
22 **K**

23	Motor Vehicle Account--State Appropriation	((\$1,151,000))
24		<u>\$991,000</u>
25	Multimodal Transportation Account--State Appropriation . . .	\$300,000
26	TOTAL APPROPRIATION	((\$1,451,000))
27		<u>\$1,291,000</u>

28 The appropriations in this section (~~is~~) are subject to the
29 following conditions and limitations:

30 (1) \$300,000 of the multimodal account--state appropriation is
31 provided solely for the department to hire a consultant to develop a
32 plan for codevelopment and public-private partnership opportunities at
33 public ferry terminals.

34 (2) The department shall conduct an analysis and, if determined to
35 be feasible, initiate requests for proposals involving the distribution
36 of alternative fuels along state department of transportation
37 rights-of-way.

1 (a) Eliminating the number of activities delivered in the "f" level
2 of service at the region level; and

3 (b) Evaluating, analyzing, and potentially redistributing resources
4 within and among regions to provide greater consistency in delivering
5 the program statewide and in achieving overall level of service
6 targets.

7 (6) The department may work with the department of corrections to
8 utilize corrections crews for the purposes of litter pickup on state
9 highways.

10 (7) \$650,000 of the motor vehicle account--state appropriation is
11 provided solely for increased asphalt costs.

12 (8) The department shall prepare a comprehensive listing of
13 maintenance backlogs and related costs and report to the office of
14 financial management and the transportation committees of the
15 legislature by December 31, 2008.

16 (9) \$76,026,000 of the motor vehicle account--state appropriation
17 is for snow and ice related expenses, within which is a one-time
18 increase of \$3,250,000 provided solely for extraordinary snow and ice
19 removal expenses incurred during the winter of 2007-08.

20 **Sec. 219.** 2007 c 518 s 220 (uncodified) is amended to read as
21 follows:

22 **FOR THE DEPARTMENT OF TRANSPORTATION--TRAFFIC OPERATIONS--PROGRAM Q--**
23 **OPERATING**

24	Motor Vehicle Account--State Appropriation	((\$52,040,000))
25		<u>\$51,340,000</u>
26	Motor Vehicle Account--Federal Appropriation	\$2,050,000
27	Motor Vehicle Account--Private/Local Appropriation	\$127,000
28	TOTAL APPROPRIATION	((\$54,217,000))
29		<u>\$53,517,000</u>

30 The appropriations in this section are subject to the following
31 conditions and limitations:

32 (1) \$654,000 of the motor vehicle account--state appropriation is
33 provided solely for the department to time state-owned and operated
34 traffic signals. This funding may also be used to program incident,
35 emergency, or special event signal timing plans.

36 (2) \$346,000 of the motor vehicle account--state appropriation is
37 provided solely for the department to implement a pilot tow truck

1 incentive program. The department may provide incentive payments to
2 towing companies that meet clearance goals on accidents that involve
3 heavy trucks.

4 (3) \$6,800,000 of the motor vehicle account--state appropriation is
5 provided solely for low-cost enhancements. The department shall give
6 priority to low-cost enhancement projects that improve safety or
7 provide congestion relief. The department shall prioritize low-cost
8 enhancement projects on a statewide rather than regional basis. By
9 January 1, 2008, and January 1, 2009, the department shall provide a
10 report to the legislature listing all low-cost enhancement projects
11 prioritized on a statewide rather than regional basis completed in the
12 prior year.

13 (4) The department, in consultation with the Washington state
14 patrol, may conduct a pilot program for the patrol to issue infractions
15 based on information from automated traffic safety cameras in roadway
16 construction zones on state highways when workers are present.

17 (a) In order to ensure adequate time in the 2007-09 biennium to
18 evaluate the effectiveness of the pilot program, any projects
19 authorized by the department must be authorized by December 31, 2007.

20 (b) The department shall use the following guidelines to administer
21 the program:

22 (i) Automated traffic safety cameras may only take pictures of the
23 vehicle and vehicle license plate and only while an infraction is
24 occurring. The picture must not reveal the face of the driver or of
25 passengers in the vehicle;

26 (ii) The department shall plainly mark the locations where the
27 automated traffic safety cameras are used by placing signs on locations
28 that clearly indicate to a driver that he or she is entering a roadway
29 construction zone where traffic laws are enforced by an automated
30 traffic safety camera;

31 (iii) Notices of infractions must be mailed to the registered owner
32 of a vehicle within fourteen days of the infraction occurring;

33 (iv) The owner of the vehicle is not responsible for the violation
34 if the owner of the vehicle, within fourteen days of receiving
35 notification of the violation, mails to the patrol, a declaration under
36 penalty of perjury, stating that the vehicle involved was, at the time,
37 stolen or in the care, custody, or control of some person other than
38 the registered owner, or any other extenuating circumstances;

1 (v) For purposes of the 2007-09 biennium pilot project, infractions
2 detected through the use of automated traffic safety cameras are not
3 part of the registered owner's driving record under RCW 46.52.101 and
4 46.52.120. Additionally, infractions generated by the use of automated
5 traffic safety cameras must be processed in the same manner as parking
6 infractions for the purposes of RCW 3.46.120, 3.50.100, 35.20.220,
7 46.16.216, and 46.20.270(3). However, the amount of the fine issued
8 for an infraction generated through the use of an automated traffic
9 safety camera is one hundred thirty-seven dollars. The court shall
10 remit thirty-two dollars of the fine to the state treasurer for deposit
11 into the state patrol highway account;

12 (vi) If a notice of infraction is sent to the registered owner and
13 the registered owner is a rental car business, the infraction will be
14 dismissed against the business if it mails to the patrol, within
15 fourteen days of receiving the notice, a declaration under penalty of
16 perjury of the name and known mailing address of the individual driving
17 or renting the vehicle when the infraction occurred. If the business
18 is unable to determine who was driving or renting the vehicle at the
19 time the infraction occurred, the business must sign a declaration
20 under penalty of perjury to this effect. The declaration must be
21 mailed to the patrol within fourteen days of receiving the notice of
22 traffic infraction. Timely mailing of this declaration to the issuing
23 agency relieves a rental car business of any liability under this
24 section for the notice of infraction. A declaration form suitable for
25 this purpose must be included with each automated traffic infraction
26 notice issued, along with instructions for its completion and use; and

27 (vii) By June 30, 2009, the department shall provide a report to
28 the legislature regarding the use, public acceptance, outcomes, and
29 other relevant issues regarding the pilot project.

30 (5) The traffic signal operations along 164th Street SE at the
31 intersections of Mill Creek Boulevard and SR 527 should be optimized to
32 minimize vehicle delay on both corridors based on traffic volumes and
33 not only on functional classification or designation.

34 **Sec. 220.** 2007 c 518 s 221 (uncodified) is amended to read as
35 follows:

36 **FOR THE DEPARTMENT OF TRANSPORTATION--TRANSPORTATION MANAGEMENT AND**

1	SUPPORT--PROGRAM S	
2	Motor Vehicle Account--State Appropriation	((\$28,215,000))
3		<u>\$27,363,000</u>
4	Motor Vehicle Account--Federal Appropriation	\$30,000
5	Puget Sound Ferry Operations Account--State	
6	Appropriation	\$1,321,000
7	Multimodal Transportation Account--State	
8	Appropriation	\$1,223,000
9	TOTAL APPROPRIATION	((\$30,789,000))
10		<u>\$29,937,000</u>

11 The appropriations in this section are subject to the following
12 conditions and limitations:

13 (1) The department shall work with staffs from the legislative
14 evaluation and accountability program committee, the transportation
15 committees of the legislature, and the office of financial management
16 on developing a new capital budgeting system to meet identified
17 information needs.

18 (2) \$250,000 of the multimodal account--state appropriation is
19 provided solely for implementing a wounded combat veteran's internship
20 program, administered by the department. The department shall seek
21 federal funding to support the continuation of this program.

22 **Sec. 221.** 2007 c 518 s 222 (uncodified) is amended to read as
23 follows:

24 **FOR THE DEPARTMENT OF TRANSPORTATION--TRANSPORTATION PLANNING, DATA,**
25 **AND RESEARCH--PROGRAM T**

26	Motor Vehicle Account--State Appropriation	((\$30,698,000))
27		<u>\$27,757,000</u>
28	Motor Vehicle Account--Federal Appropriation	\$19,163,000
29	Multimodal Transportation Account--State	
30	Appropriation	((\$1,029,000))
31		<u>\$1,760,000</u>
32	Multimodal Transportation Account--Federal	
33	Appropriation	\$2,809,000
34	Multimodal Transportation Account--Private/Local	
35	Appropriation	\$100,000
36	TOTAL APPROPRIATION	((\$53,799,000))
37		<u>\$51,589,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 ~~(1) ((\$3,900,000 of the motor vehicle account--state appropriation~~
4 ~~is provided solely for the costs of the regional transportation~~
5 ~~investment district (RTID) and department of transportation project~~
6 ~~oversight. The department shall provide support from its urban~~
7 ~~corridors region to assist in preparing project costs, expenditure~~
8 ~~plans, and modeling. The department shall not deduct a management~~
9 ~~reserve, nor charge management or overhead fees. These funds,~~
10 ~~including those expended since 2003, are provided as a loan to the RTID~~
11 ~~and shall be repaid to the state within one year following formation of~~
12 ~~the RTID. \$2,391,000 of the amount provided under this subsection~~
13 ~~shall lapse, effective January 1, 2008, if voters fail to approve~~
14 ~~formation of the RTID at the 2007 general election, as determined by~~
15 ~~the certification of the election results.))~~ \$1,559,000 of the motor
16 vehicle account--state appropriation is provided solely for costs
17 incurred for the 2007 regional transportation investment district
18 election.

19 (2) ~~(\$300,000))~~ \$800,000 of the multimodal transportation
20 account--state appropriation is provided solely for a transportation
21 demand management program, developed by the Whatcom council of
22 governments, to further reduce drive-alone trips and maximize the use
23 of sustainable transportation choices. The community-based program
24 must focus on all trips, not only commute trips, by providing
25 education, assistance, and incentives to four target audiences: (a)
26 Large work sites; (b) employees of businesses in downtown areas; (c)
27 school children; and (d) residents of Bellingham.

28 (3) \$320,000 of the motor vehicle account--state appropriation and
29 \$128,000 of the motor vehicle account--federal appropriation are
30 provided solely for development of a freight database to help guide
31 freight investment decisions and track project effectiveness. The
32 database will be based on truck movement tracked through geographic
33 information system technology. TransNow will contribute an additional
34 \$192,000 in federal funds which are not appropriated in the
35 transportation budget. The department shall work with the freight
36 mobility strategic investment board to implement this project.

37 (4) By December 1, 2008, the department shall require confirmation
38 from jurisdictions that plan under the growth management act, chapter

1 36.70A RCW, and that receive state transportation funding under this
2 act, that the jurisdictions have adopted standards for access
3 permitting on state highways that meet or exceed department standards
4 in accordance with RCW 47.50.030. The objective of this subsection is
5 to encourage local governments, through the receipt of state
6 transportation funding, to adhere to best practices in access control
7 applicable to development activity significantly impacting state
8 transportation facilities. By January 1, 2009, the department shall
9 submit a report to the appropriate committees of the legislature
10 detailing the progress of the local jurisdictions in adopting the
11 highway access permitting standards.

12 (5) \$150,000 of the motor vehicle account--federal appropriation is
13 provided solely for the costs to develop an electronic map-based
14 computer application that will enable law enforcement officers and
15 others to more easily locate collisions and other incidents in the
16 field.

17 (6) The department shall add a position within the freight systems
18 division to provide expertise regarding the trucking aspects of the
19 state's freight system.

20 (7) The department shall evaluate the feasibility of developing a
21 freight corridor bypass from Everett to Gold Bar on US 2, including a
22 connection to SR 522. US 2 is an important freight corridor, and is an
23 alternative route for I-90. Congestion, safety issues, and flooding
24 concerns have all contributed to the need for major improvements to the
25 corridor. The evaluation shall consider the use of toll lanes for the
26 project. The department must report to the transportation committees
27 of the legislature by December 1, 2007, on its analysis and
28 recommendations regarding the benefit of a freight corridor and the
29 potential use of freight toll lanes to improve safety and congestion in
30 the corridor.

31 (8) The department shall work with the department of ecology, the
32 county road administration board, and the transportation improvement
33 board to develop model procedures and municipal and state rules in
34 regard to maximizing the use of recycled asphalt on road construction
35 and preservation projects. The department shall report to the joint
36 transportation committee by December 1, 2008, with recommendations on
37 increasing the use of recycled asphalt at the state and local level.

1 (9) \$140,000 of the multimodal transportation account--state
2 appropriation is provided solely for a full-time employee to develop
3 vehicle miles traveled and other greenhouse gas emissions benchmarks as
4 described in Engrossed Second Substitute House Bill No. 2815. If
5 Engrossed Second Substitute House Bill No. 2815 is not enacted by June
6 30, 2008, the amount provided in this subsection shall lapse.

7 (10) \$80,000 of the motor vehicle account--state appropriation is
8 provided solely to study the feasibility of a new interchange on
9 interstate 5 between the city of Rochester and harrison avenue.

10 (11) \$100,000 of the multimodal transportation account--state
11 appropriation is provided solely to support the commuter rail study
12 between eastern Snohomish county and eastern King county as defined in
13 Substitute House Bill No. 3224. Funds are provided to the Puget Sound
14 regional council for one time only. If Substitute House Bill No. 3224
15 is not enacted by June 30, 2008, the amount provided in this subsection
16 shall lapse.

17 **Sec. 222.** 2007 c 518 s 223 (uncodified) is amended to read as
18 follows:

19 **FOR THE DEPARTMENT OF TRANSPORTATION--CHARGES FROM OTHER AGENCIES--**
20 **PROGRAM U**

21	Motor Vehicle Account--State Appropriation	((\$66,342,000))
22		<u>\$66,102,000</u>
23	Motor Vehicle Account--Federal Appropriation	\$400,000
24	Multimodal Transportation Account--State	
25	Appropriation	\$259,000
26	TOTAL APPROPRIATION	((\$67,001,000))
27		<u>\$66,761,000</u>

28 The appropriations in this section are subject to the following
29 conditions and limitations:

30 (1) \$36,665,000 of the motor vehicle fund--state appropriation is
31 provided solely for the liabilities attributable to the department of
32 transportation. The office of financial management must provide a
33 detailed accounting of the revenues and expenditures of the self-
34 insurance fund to the transportation committees of the legislature on
35 December 31st and June 30th of each year.

36 (2) Payments in this section represent charges from other state
37 agencies to the department of transportation.

1	(a) FOR PAYMENT OF OFFICE OF FINANCIAL MANAGEMENT	
2	DIVISION OF RISK MANAGEMENT FEES	\$1,520,000
3	(b) FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE	
4	AUDITOR	((\$1,150,000))
5		<u>\$1,153,000</u>
6	(c) FOR PAYMENT OF COSTS OF DEPARTMENT OF GENERAL	
7	ADMINISTRATION FACILITIES AND SERVICES AND CONSOLIDATED	
8	MAIL SERVICES	((\$4,157,000))
9		<u>\$4,859,000</u>
10	(d) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF	
11	PERSONNEL	((\$4,033,000))
12		<u>\$7,593,000</u>
13	(e) FOR PAYMENT OF SELF-INSURANCE LIABILITY	
14	PREMIUMS AND ADMINISTRATION	\$36,665,000
15	(f) FOR PAYMENT OF THE DEPARTMENT OF GENERAL	
16	ADMINISTRATION CAPITAL PROJECTS SURCHARGE	\$1,838,000
17	(g) FOR ARCHIVES AND RECORDS MANAGEMENT	((\$647,000))
18		<u>\$677,000</u>
19	(h) FOR OFFICE OF MINORITIES AND WOMEN BUSINESS	
20	ENTERPRISES	((\$1,070,000))
21		<u>\$1,042,000</u>
22	(i) FOR USE OF FINANCIAL SYSTEMS PROVIDED BY	
23	THE OFFICE OF FINANCIAL MANAGEMENT	((\$930,000))
24		<u>\$1,266,000</u>
25	(j) FOR POLICY ASSISTANCE FROM THE DEPARTMENT	
26	OF INFORMATION SERVICES	((\$1,138,000))
27		<u>\$945,000</u>
28	(k) FOR LEGAL SERVICE PROVIDED BY THE ATTORNEY	
29	GENERAL'S OFFICE	((\$8,859,000))
30		<u>\$9,045,000</u>
31	(l) FOR LEGAL SERVICE PROVIDED BY THE ATTORNEY	
32	GENERAL'S OFFICE FOR THE SECOND PHASE OF THE BOLDT	
33	LITIGATION	\$158,000

34 **Sec. 223.** 2007 c 518 s 224 (uncodified) is amended to read as
35 follows:

36 **FOR THE DEPARTMENT OF TRANSPORTATION--PUBLIC TRANSPORTATION--PROGRAM**

1	v	
2	Regional Mobility Grant Program Account--State	
3	Appropriation	\$40,000,000
4	Multimodal Transportation Account--State	
5	Appropriation	((\$85,202,000))
6		<u>\$85,601,000</u>
7	Multimodal Transportation Account--Federal	
8	Appropriation	\$2,582,000
9	Multimodal Transportation Account--Private/Local	
10	Appropriation	((\$291,000))
11		<u>\$659,000</u>
12	TOTAL APPROPRIATION	((\$128,075,000))
13		<u>\$128,842,000</u>

14 The appropriations in this section are subject to the following
15 conditions and limitations:

16 (1) \$25,000,000 of the multimodal transportation account--state
17 appropriation is provided solely for a grant program for special needs
18 transportation provided by transit agencies and nonprofit providers of
19 transportation.

20 (a) \$5,500,000 of the amount provided in this subsection is
21 provided solely for grants to nonprofit providers of special needs
22 transportation. Grants for nonprofit providers shall be based on need,
23 including the availability of other providers of service in the area,
24 efforts to coordinate trips among providers and riders, and the cost
25 effectiveness of trips provided.

26 (b) \$19,500,000 of the amount provided in this subsection is
27 provided solely for grants to transit agencies to transport persons
28 with special transportation needs. To receive a grant, the transit
29 agency must have a maintenance of effort for special needs
30 transportation that is no less than the previous year's maintenance of
31 effort for special needs transportation. Grants for transit agencies
32 shall be prorated based on the amount expended for demand response
33 service and route deviated service in calendar year 2005 as reported in
34 the "Summary of Public Transportation - 2005" published by the
35 department of transportation. No transit agency may receive more than
36 thirty percent of these distributions.

37 (2) Funds are provided for the rural mobility grant program as
38 follows:

1 (a) \$8,500,000 of the multimodal transportation account--state
2 appropriation is provided solely for grants for those transit systems
3 serving small cities and rural areas as identified in the Summary of
4 Public Transportation - 2005 published by the department of
5 transportation. Noncompetitive grants must be distributed to the
6 transit systems serving small cities and rural areas in a manner
7 similar to past disparity equalization programs.

8 (b) \$8,500,000 of the multimodal transportation account--state
9 appropriation is provided solely to providers of rural mobility service
10 in areas not served or underserved by transit agencies through a
11 competitive grant process.

12 (3) \$8,600,000 of the multimodal transportation account--state
13 appropriation is provided solely for a vanpool grant program for: (a)
14 Public transit agencies to add vanpools; and (b) incentives for
15 employers to increase employee vanpool use. The grant program for
16 public transit agencies will cover capital costs only; no operating
17 costs for public transit agencies are eligible for funding under this
18 grant program. No additional employees may be hired from the funds
19 provided in this section for the vanpool grant program, and supplanting
20 of transit funds currently funding vanpools is not allowed. Additional
21 criteria for selecting grants must include leveraging funds other than
22 state funds.

23 (4) \$40,000,000 of the regional mobility grant program account--
24 state appropriation is provided solely for the regional mobility grant
25 projects identified on the LEAP Transportation Document 2007-B as
26 developed April 20, 2007. The department shall review all projects
27 receiving grant awards under this program at least semiannually to
28 determine whether the projects are making satisfactory progress. Any
29 project that has been awarded funds, but does not report activity on
30 the project within one year of the grant award, shall be reviewed by
31 the department to determine whether the grant should be terminated.
32 The department shall promptly close out grants when projects have been
33 completed, and any remaining funds available to the office of transit
34 mobility shall be used only to fund projects on the LEAP Transportation
35 Document 2007-B as developed April 20, 2007. The department shall
36 provide annual status reports on December 15, 2007, and December 15,
37 2008, to the office of financial management and the transportation

1 committees of the legislature regarding the projects receiving the
2 grants.

3 (5) \$17,168,087 of the multimodal transportation account--state
4 appropriation is reappropriated and provided solely for the regional
5 mobility grant projects identified on the LEAP Transportation Document
6 2006-D, regional mobility grant program projects as developed March 8,
7 2006. The department shall continue to review all projects receiving
8 grant awards under this program at least semiannually to determine
9 whether the projects are making satisfactory progress. The department
10 shall promptly close out grants when projects have been completed, and
11 any remaining funds available to the office of transit mobility shall
12 be used only to fund projects on the LEAP Transportation Document
13 2007-B as developed April 20, 2007, or the LEAP Transportation Document
14 2006-D as developed March 8, 2006.

15 (6) \$200,000 of the multimodal transportation account--state
16 appropriation is provided solely for the department to study and then
17 develop pilot programs aimed at addressing commute trip reduction
18 strategies for K-12 students and for college and university students.
19 The department shall submit to the legislature by January 1, 2009, a
20 summary of the program results and recommendations for future student
21 commute trip reduction strategies. The pilot programs are described as
22 follows:

23 (a) The department shall consider approaches, including mobility
24 education, to reducing and removing traffic congestion in front of
25 schools by changing travel behavior for elementary, middle, and high
26 school students and their parents; and

27 (b) The department shall design a program that includes student
28 employment options as part of the pilot program applicable to college
29 and university students.

30 (7) \$2,400,000 of the multimodal account--state appropriation is
31 provided solely for establishing growth and transportation efficiency
32 centers (GTEC). Funds are appropriated for one time only. The
33 department shall provide in its annual report to the legislature an
34 evaluation of the GTEC concept and recommendations on future funding
35 levels.

36 (8) \$381,000 of the multimodal transportation account--state
37 appropriation is provided solely for the implementation of Substitute

1 House Bill No. 1694 (reauthorizing the agency council on coordinated
2 transportation). If Substitute House Bill No. 1694 is not enacted by
3 June 30, 2007, the amount provided in this subsection shall lapse.

4 (9) (~~(\$136,000)~~) \$504,000 of the multimodal transportation
5 account--private/local appropriation is provided solely for the
6 implementation of Senate Bill No. 5084 (updating rail transit safety
7 plans). If Senate Bill No. 5084 is not enacted by June 30, 2007, the
8 amount provided in this subsection shall lapse.

9 (10) \$60,000 of the multimodal transportation account--state
10 appropriation is provided solely for low-income car ownership programs.
11 The department shall collaborate with interested regional
12 transportation planning organizations and metropolitan planning
13 organizations to determine the effectiveness of the programs at
14 providing transportation solutions for low-income persons who depend
15 upon cars to travel to their places of employment.

16 (11) \$1,000,000 of the multimodal transportation account--state
17 appropriation is provided solely for additional funding for the trip
18 reduction performance program, including telework enhancement projects.
19 Funds are appropriated for one time only.

20 (12) (~~(\$2,000,000)~~) \$2,309,000 of the multimodal transportation
21 account--state appropriation is provided solely for the tri-county
22 connection service for Island, Skagit, and Whatcom transit agencies.

23 (13) \$150,000 of the multimodal transportation account--state
24 appropriation is provided solely as a grant for a telework pilot
25 project to be developed, administered, and monitored by the Kitsap
26 regional coordinating council. Funds are appropriated for one time
27 only. The primary purposes of the pilot project are to educate
28 employers about telecommuting, develop telework policies and resources
29 for employers, and reduce traffic congestion by encouraging teleworking
30 in the workplace. As part of the pilot project, the council shall
31 recruit public and private sector employer participants throughout the
32 county, identify telework sites, develop an employer's toolkit
33 consisting of teleworking resources, and create a telecommuting
34 template that may be applied in other communities. The council shall
35 submit to the legislature by July 1, 2009, a summary of the program
36 results and any recommendations for future telework strategies.

1 *Sec. 224. 2007 c 518 s 225 (uncodified) is amended to read as
2 follows:

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

4 Puget Sound Ferry Operations Account--State	
5 Appropriation	((\$412,189,000))
6	<u>\$426,761,000</u>
7 Multimodal Transportation Account--State	
8 Appropriation	((\$1,830,000))
9	<u>\$1,914,000</u>
10 TOTAL APPROPRIATION	((\$414,019,000))
11	<u>\$428,675,000</u>

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 (1) ((~~\$79,191,000~~)) \$90,299,000 of the Puget Sound ferry
15 operations--state appropriation is provided solely for auto ferry
16 vessel operating fuel in the 2007-2009 biennium.

17 (2) The Washington state ferries must work with the department's
18 information technology division to implement an electronic fare system,
19 including the integration of the regional fare coordination system
20 (smart card). Each December and June, semiannual updates must be
21 provided to the transportation committees of the legislature concerning
22 the status of implementing and completing this project, with updates
23 concluding the first December after full project implementation.

24 (3) The Washington state ferries shall continue to provide service
25 to Sidney, British Columbia.

26 (4) ((~~\$1,830,000~~)) \$1,914,000 of the multimodal transportation
27 account--state appropriation is provided solely to provide
28 passenger-only ferry service. The ferry system shall continue
29 passenger-only ferry service from Vashon Island to Seattle through June
30 30, 2008. Ferry system management shall continue to implement its
31 agreement with the inlandboatmen's union of the pacific and the
32 international organization of masters, mates and pilots providing for
33 part-time passenger-only work schedules.

34 (5) \$932,000 of the Puget Sound ferries operations account--state
35 appropriation is provided solely for compliance with department of
36 ecology rules regarding the transfer of oil on or near state waters.
37 Funding for compliance with on-board fueling rules is provided for the

1 2008 fiscal year. The department may request funding for the 2009
2 fiscal year if the request is submitted with an alternative compliance
3 plan filed with the department of ecology, as allowed by rule.

4 (6) \$1,116,000 of the Puget Sound ferry operations account--state
5 appropriation is provided solely for ferry security operations
6 necessary to comply with the ferry security plan submitted by the
7 Washington state ferry system to the United States coast guard. The
8 department shall track security costs and expenditures. Ferry security
9 operations costs shall not be included as part of the operational costs
10 that are used to calculate farebox recovery.

11 (7) \$378,000 of the Puget Sound ferry operations account--state
12 appropriation is provided solely to meet the United States coast guard
13 requirements for appropriate rest hours between shifts for vessel crews
14 on the Bainbridge to Seattle and Edmonds to Kingston ferry routes.

15 (8) \$694,000 of the Puget Sound ferries operating account--state
16 appropriation is provided solely for implementing Engrossed Substitute
17 House Bill No. 2358 as follows:

18 (a) The department shall allow the joint transportation committee
19 work group established in section 205(1) of this act to participate in
20 the following elements as they are described in Engrossed Substitute
21 House Bill No. 2358:

22 (i) Development and implementation of a survey of ferry customers;

23 (ii) Analysis and reestablishment of vehicle level of service
24 standards. In reestablishing the standards, consideration shall be
25 given to whether boat wait is the appropriate measure. The level of
26 service standard shall be reestablished in conjunction with or after
27 the survey has been implemented;

28 (iii) Development of pricing policy proposals. In developing these
29 policies, the policies, in effect on some routes, of collecting fares
30 in only one direction shall be evaluated to determine whether one-way
31 fare pricing best serves the ferry system. The pricing policy
32 proposals must be developed in conjunction with or after the survey has
33 been implemented;

34 (iv) Development of operational strategies. The operational
35 strategies shall be reestablished in conjunction with the survey or
36 after the survey has been implemented;

37 (v) Development of terminal design standards. The terminal design

1 standards shall be finalized after the provisions of subsections (a)(i)
2 through (iv) and subsection (b) of this section have been developed and
3 reviewed by the joint transportation committee; and

4 (vi) Development of a capital plan. The capital plan shall be
5 finalized after terminal design standards have been developed by the
6 department and reviewed by the joint transportation committee.

7 (b) The department shall develop a ridership demand forecast that
8 shall be used in the development of a long-range capital plan. If more
9 than one forecast is developed they must be reconciled.

10 (c) The department shall update the life cycle cost model to meet
11 the requirements of Engrossed Substitute House Bill No. 2358 no later
12 than August 1, 2007.

13 (d) The department shall develop a cost allocation methodology
14 proposal to meet the requirements described in Engrossed Substitute
15 House Bill No. 2358. The proposal shall be completed and presented to
16 the joint transportation committee no later than August 1, 2007.

17 (9) \$200,000 of the Puget Sound ferry operations account--state
18 appropriation is provided solely for the initial acquisition of
19 transportation worker identification credentials required by the United
20 States department of homeland security for unescorted access to secure
21 areas of ferries and terminals.

22 (10) The legislature finds that a rigorous incident investigation
23 process is an essential component of marine safety. The department is
24 directed to review its accident and incident investigation procedures
25 and report the results of its review with any proposals for changes to
26 the legislature by November 1, 2008.

27 (11) The department shall allow the use, by two separate drivers,
28 of fare media allowing for multiple discounted vehicle trips aboard
29 Washington state ferries vessels.

30 (12) Washington state ferries may investigate the implementation of
31 a pilot car-sharing program in the San Juan Islands, in order to reduce
32 the peak auto-load pressures on the inter-island San Juan ferry system
33 and provide a convenient alternative for the residents of the San Juan
34 Islands. Under the pilot program, inter-island passengers should be
35 able to reserve a car, pay their normal automobile ferry fare, walk on
36 the ferry, and use the shared car upon arrival. The Washington state
37 ferries shall report to the transportation committees of the
38 legislature by November 15, 2008, regarding the feasibility of the

pilot program, including whether the difference between the passenger ferry fare and the automobile ferry fare would cover the subsidy costs needed to implement the pilot program.

(13) While developing fare and pricing policy proposals, the department may consider the desirability of reasonable fares for persons using the ferry system to commute daily to work and other frequent users who live in ferry-dependent communities.

(14) \$357,000 of the Puget Sound ferry operations account--state appropriation is for two extra trips per day, beyond the current schedule, from May 19, 2008, through September 8, 2008, at the Port Townsend/Keystone route.

*Sec. 224 was partially vetoed. See message at end of chapter.

Sec. 225. 2007 c 518 s 226 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--OPERATING

Multimodal Transportation Account--State

Appropriation	((\$37,034,000))
	<u>\$37,010,000</u>

The appropriation in this section is subject to the following conditions and limitations:

(1) The department shall publish a final long-range plan for Amtrak Cascades by September 30, 2007. By December 31, 2008, the department shall submit to the office of financial management and the transportation committees of the legislature a midrange plan for Amtrak Cascades that identifies specific steps the department would propose to achieve additional service beyond current levels.

(2)(a) \$29,091,000 of the multimodal transportation account--state appropriation is provided solely for the Amtrak service contract and Talgo maintenance contract associated with providing and maintaining the state-supported passenger rail service. Upon completion of the rail platform project in the city of Stanwood, the department shall provide daily Amtrak Cascades service to the city.

(b) The department shall negotiate with Amtrak and Burlington Northern Santa Fe to adjust the Amtrak Cascades schedule to leave Bellingham at a significantly earlier hour.

(c) When Amtrak Cascades expands the second roundtrip between Vancouver, B.C. and Seattle, the department shall negotiate for the second roundtrip to leave Bellingham southbound no later than 8:30 a.m.

1 (3) No Amtrak Cascade runs may be eliminated.

2 (4) \$40,000 of the multimodal transportation account--state
3 appropriation is provided solely for the produce railcar program. The
4 department is encouraged to implement the produce railcar program by
5 maximizing private investment.

6 (5) The department shall begin planning for a third roundtrip
7 Cascades train between Seattle and Vancouver, B.C. by 2010.

8 **Sec. 226.** 2007 c 518 s 227 (uncodified) is amended to read as
9 follows:

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

12	Motor Vehicle Account--State Appropriation	((\$8,630,000))
13		<u>\$8,981,000</u>
14	Motor Vehicle Account--Federal Appropriation	\$2,567,000
15	TOTAL APPROPRIATION	((\$11,197,000))
16		<u>\$11,548,000</u>

17 (1) The appropriations in this section are subject to the following
18 conditions and limitations: The department of transportation shall
19 provide up to \$2,700,000 in toll credits to Kitsap transit for
20 passenger-only ferry service and up to \$750,000 in toll credits to the
21 port of Kingston for the purchase of a passenger-only ferry vessel.
22 The number of toll credits provided to Kitsap transit and the port of
23 Kingston must be equal to, but no more than, a number sufficient to
24 meet federal match requirements for grant funding for passenger-only
25 ferry service, but shall not exceed the amount authorized under this
26 section. The department may not allocate, grant, or utilize any state
27 or state appropriated or managed federal funds as a match to the
28 federal grant funding on projects to which these toll credits are
29 applied.

30 (2) \$902,000 of the motor vehicle account--state appropriation is
31 provided solely to Wahkiakum county for operating and maintenance costs
32 of the Puget Island-Westport ferry.

33 **TRANSPORTATION AGENCIES--CAPITAL**

1 **Sec. 301.** 2007 c 518 s 301 (uncodified) is amended to read as
2 follows:

3 **FOR THE WASHINGTON STATE PATROL**

4 State Patrol Highway Account--State Appropriation . . . (~~(\$2,934,000)~~)
5 \$4,234,000

6 The appropriation in this section is subject to the following
7 conditions and limitations:

8 (1) \$2,200,000 is provided solely for the following minor works
9 projects: \$195,000 for HVAC renovation at the Chehalis, Kelso,
10 Okanogan, and Ellensburg detachments; \$50,000 for roof replacements at
11 the Toppenish, SeaTac NB, SeaTac SB, and Plymouth weigh stations;
12 \$35,000 for replacement of the Shelton academy roof drain and
13 downspout; \$100,000 for parking lot repairs at Okanogan, Goldendale,
14 Ritzville, and Moses Lake detachment offices and the Wenatchee 6
15 headquarters; \$290,000 for replacement of the weigh station scales at
16 Brady and Artic; \$152,000 for carpet replacement at the Ritzville,
17 Moses Lake, Morton, Kelso, Chehalis, Walla Walla, Kennewick, South
18 King, and Hoquiam detachment offices; \$185,000 for HVAC replacement at
19 Tacoma and Marysville detachment offices; \$330,000 for repair and
20 upgrade of the Bellevue tower; \$473,000 for replacement of twenty-one
21 communication site underground fuel tanks; \$240,000 for replacement of
22 communication site buildings at Lind, Scoggans Mountain, and Lewiston
23 Ridge; and \$150,000 for unforeseen emergency repairs.

24 (2) \$687,000 is provided solely for design and construction of
25 regional waste water treatment systems for the Shelton academy of the
26 Washington state patrol.

27 (3) \$47,000 is provided solely for predesign of a single,
28 consolidated aviation facility at the Olympia airport to house the
29 fixed wing operations of the Washington state patrol, the department of
30 natural resources (DNR), and the department of fish and wildlife, and
31 the rotary operations of the DNR.

32 (4) \$1,300,000 of the state patrol highway account--state
33 appropriation is provided solely for the acquisition of land adjacent
34 to the Shelton training academy for anticipated expansion; however, the
35 amount provided in this subsection is contingent on the Washington
36 state patrol adding a surcharge to the rates charged to any other
37 agency or entity that uses the academy in an amount sufficient to
38 defray a share of the expansion costs that is proportionate to the

1 relative volume of use of the academy by such agencies or entities.
2 The surcharge imposed must be sufficient to recover the requisite
3 portion of the academy expansion costs within ten years of the
4 effective date of this subsection.

5 **Sec. 302.** 2007 c 518 s 302 (uncodified) is amended to read as
6 follows:

7 **FOR THE COUNTY ROAD ADMINISTRATION BOARD**

8 Rural Arterial Trust Account--State Appropriation	\$64,000,000
9 Motor Vehicle Account--State Appropriation	((\$2,368,000))
10	<u>\$2,370,000</u>
11 County Arterial Preservation Account--State	
12 Appropriation	((\$32,861,000))
13	<u>\$32,641,000</u>
14 TOTAL APPROPRIATION	((\$99,229,000))
15	<u>\$99,011,000</u>

16 The appropriations in this section are subject to the following
17 conditions and limitations:

18 (1) ((~~\$2,069,000~~)) \$2,370,000 of the motor vehicle account--state
19 appropriation may be used for county ((ferries. The board shall review
20 the requests for county ferry funding in consideration with other
21 projects funded from the board. If the board determines these projects
22 are a priority over the projects in the rural arterial and county
23 arterial preservation grant programs, then they may provide funding for
24 these requests)) ferry projects as set forth in RCW 47.56.725(4).

25 (2) The appropriations contained in this section include funding to
26 counties to assist them in efforts to recover from winter storm and
27 flood damage, by providing capitalization advances and local match for
28 federal emergency funding as determined by the county road
29 administration board. The county road administration board shall
30 specifically identify any such selected projects and shall include
31 information concerning them in its next annual report to the
32 legislature.

33 **Sec. 303.** 2007 c 518 s 303 (uncodified) is amended to read as
34 follows:

35 **FOR THE TRANSPORTATION IMPROVEMENT BOARD**
36 Small City Pavement and Sidewalk Account--State

1	Appropriation	((\$4,500,000))
2		<u>\$5,900,000</u>
3	Urban Arterial Trust Account--State Appropriation . .	((\$129,600,000))
4		<u>\$126,600,000</u>
5	Transportation Improvement Account--State	
6	Appropriation	((\$90,643,000))
7		<u>\$87,143,000</u>
8	TOTAL APPROPRIATION	((\$224,743,000))
9		<u>\$219,643,000</u>

10 The appropriations in this section are subject to the following
11 conditions and limitations:

12 (1) The transportation improvement account--state appropriation
13 includes up to \$7,143,000 in proceeds from the sale of bonds authorized
14 in RCW 47.26.500.

15 (2) The urban arterial trust account--state appropriation includes
16 up to \$15,000,000 in proceeds from the sale of bonds authorized in
17 Substitute House Bill No. 2394. If Substitute House Bill No. 2394 is
18 not enacted by June 30, 2007, the amount provided in this subsection
19 shall lapse.

20 NEW SECTION. **Sec. 304.** A new section is added to 2007 c 518
21 (uncodified) to read as follows:

22 **FOR THE DEPARTMENT OF TRANSPORTATION.** The nickel and transportation
23 partnership revenue packages were created in 2003 and 2005 to finance
24 transportation construction over a sixteen year period. Since the
25 adoption of the 2003 and 2005 transportation project lists, significant
26 cost increases have resulted from extraordinary inflation. At the same
27 time, motor vehicle fuel prices have risen dramatically, and state and
28 federal gas tax revenues dedicated to paying for these programs are
29 forecasted to decrease over the sixteen year time period. Additional
30 cost increases and eroding revenues will be difficult, if not
31 impossible, to accommodate in the sixteen year financial plan.

32 As part of its budget submittal for the 2009-2011 biennium, the
33 department of transportation shall prepare information regarding the
34 nickel and transportation partnership funded projects for consideration
35 by the office of financial management and the legislative
36 transportation committees that:

- 1 (1) Compares the original project cost estimates approved in the
- 2 2003 and 2005 project list to the completed cost of the project, or the
- 3 most recent legislatively approved budget and total project costs for
- 4 projects not yet completed;
- 5 (2) Identifies highway projects that may be reduced in scope and
- 6 still achieve a functional benefit;
- 7 (3) Identifies highway projects that have experienced scope
- 8 increases and that can be reduced in scope;
- 9 (4) Identifies highway projects that have lost significant local or
- 10 regional contributions which were essential to completing the project;
- 11 and
- 12 (5) Identifies contingency amounts allocated to projects.

13 **Sec. 305.** 2007 c 518 s 304 (uncodified) is amended to read as
 14 follows:

15 **FOR THE DEPARTMENT OF TRANSPORTATION--PROGRAM D (DEPARTMENT OF**
 16 **TRANSPORTATION-ONLY PROJECTS)--CAPITAL**

17 Motor Vehicle Account--State Appropriation (~~(\$6,202,000)~~)
 18 \$6,255,000

19 The appropriation in this section is subject to the following
 20 conditions and limitations:

- 21 (1) \$584,000 of the motor vehicle account--state appropriation is
- 22 for statewide administration.
- 23 (2) (~~(\$750,000)~~) \$803,000 of the motor vehicle account--state
- 24 appropriation is for regional minor projects.
- 25 (3) \$568,000 of the motor vehicle account--state appropriation is
- 26 for the Olympic region headquarters property payments.
- 27 (4) By September 1, 2007, the department shall submit to the
- 28 transportation committees of the legislature predesign plans, developed
- 29 using the office of financial management's predesign process, for all
- 30 facility replacement projects to be proposed in the facilities 2008
- 31 budget proposal.
- 32 (5) \$1,600,000 of the motor vehicle account--state appropriation is
- 33 for site acquisition for the Tri-cities area maintenance facility.
- 34 (6) \$2,700,000 of the motor vehicle account--state appropriation is
- 35 for site acquisition for the Vancouver light industrial facility.
- 36 (7) The department shall work with the office of financial
- 37 management and staff of the transportation committees of the

1 legislature to develop a statewide inventory of all department-owned
2 surplus property that is suitable for development for department
3 facilities or that should be sold. By December 1, 2008, the department
4 shall report to the joint transportation committee on the findings of
5 this study.

6 *Sec. 306. 2007 c 518 s 305 (uncodified) is amended to read as
7 follows:

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

9	Transportation Partnership Account--State	
10	Appropriation	((\$1,226,516,000))
11		<u>\$1,109,593,000</u>
12	Motor Vehicle Account--State Appropriation	((\$82,045,000))
13		<u>\$87,210,000</u>
14	Motor Vehicle Account--Federal Appropriation	((\$404,090,000))
15		<u>\$457,580,000</u>
16	Motor Vehicle Account--Private/Local	
17	Appropriation	((\$49,157,000))
18		<u>\$64,487,000</u>
19	Special Category C Account--State Appropriation	((\$29,968,000))
20		<u>\$29,125,000</u>
21	<u>Multimodal Transportation Account--Federal</u>	
22	<u>Appropriation</u>	<u>\$86,100,000</u>
23	Tacoma Narrows Toll Bridge Account--State	
24	Appropriation	((\$142,484,000))
25		<u>\$32,277,000</u>
26	Transportation 2003 Account (Nickel Account)--State	
27	Appropriation	((\$1,100,746,000))
28		<u>\$1,147,529,000</u>
29	(Freight Congestion Relief Account--State	
30	 Appropriation	(\$40,000,000)
31	<u>Freight Mobility Multimodal Account--State</u>	
32	<u>Appropriation</u>	<u>\$208,000</u>
33	TOTAL APPROPRIATION	((\$3,075,006,000))
34		<u>\$3,014,109,000</u>

35 The appropriations in this section are subject to the following
36 conditions and limitations:

1 (1) Except as provided otherwise in this section, the entire
2 transportation 2003 account (nickel account) appropriation and the
3 entire transportation partnership account appropriation are provided
4 solely for the projects and activities as listed by fund, project, and
5 amount in LEAP Transportation Document ((~~2007-1~~)) 2008-1, Highway
6 Improvement Program (I) as developed ((~~April 20, 2007~~)) March 10, 2008.
7 However, limited transfers of specific line-item project appropriations
8 may occur between projects for those amounts listed subject to the
9 conditions and limitations in section 603 of this act.

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

22 (3) Within the amounts provided in this section, ((~~\$1,991,000~~))
23 \$1,895,000 of the transportation partnership account--state
24 appropriation, ((~~\$1,656,000~~)) \$2,147,000 of the motor vehicle account--
25 federal appropriation, and ((~~\$8,343,000~~)) \$10,331,000 of the
26 transportation 2003 account (nickel account)--state appropriation are
27 for project 109040T as identified in the LEAP transportation document
28 referenced in subsection (1) of this section: I-90/Two Way Transit-
29 Transit and HOV Improvements - Stage 1. Expenditure of the funds on
30 construction is contingent upon revising the access plan for Mercer
31 Island traffic such that Mercer Island traffic will have access to the
32 outer roadway high occupancy vehicle (HOV) lanes during the period of
33 operation of such lanes following the removal of Mercer Island traffic
34 from the center roadway and prior to conversion of the outer roadway
35 HOV lanes to high occupancy toll (HOT) lanes. Sound transit may only
36 have access to the center lanes when alternative R8A is complete.

37 (4) The Tacoma Narrows toll bridge account--state appropriation

1 includes up to (~~(\$131,016,000)~~) \$18,000,000 in proceeds from the sale
2 of bonds authorized by RCW 47.10.843.

3 (5) The funding described in this section includes (~~(\$8,095,541)~~)
4 \$36,693,000 of the transportation 2003 account (nickel account)--state
5 appropriation and (~~(\$237,241 of the motor vehicle account--~~
6 ~~private/local)~~) \$208,000 of the freight mobility multimodal account--
7 state appropriation, which are for the SR 519 project identified as
8 project number 851902A in the LEAP Transportation Document referenced
9 in subsection (1) of this section. The total project is expected to
10 cost no more than \$74,400,000 including (~~(\$11,950,000)~~) \$10,610,000 in
11 contributions from project partners, including Burlington Northern
12 Santa Fe railroad.

13 (6) To promote and support community-specific noise reduction
14 solutions, the department shall:

15 (a) Prepare a draft directive that establishes how each community's
16 priorities and concerns may be identified and addressed in order to
17 allow consideration of a community's preferred methods of advanced
18 visual shielding and aesthetic screening, for the purpose of improving
19 the noise environment of major state roadway projects in locations that
20 do not meet the criteria for standard noise barriers. The intent is
21 for these provisions to be supportable by existing project budgets.
22 The directive shall also include direction on the coordination and
23 selection of visual and aesthetic options with local communities. The
24 draft directive shall be provided to the standing transportation
25 committees of the legislature by January 2008; and

26 (b) Pilot the draft directive established in (a) of this subsection
27 in two locations along major state roadways. If practicable, the
28 department should begin work on the pilot projects while the directive
29 is being developed. One pilot project shall be located in Clark county
30 on a significant capacity improvement project. The second pilot
31 project shall be located in urban King county, which shall be on a
32 corridor highway project through mixed land use areas that is nearing
33 or under construction. The department shall provide a written report
34 to the standing transportation committees of the legislature on the
35 findings of the Clark county pilot project by January 2009, and the
36 King county pilot project by January 2010. Based on results of the
37 pilot projects, the department shall update its design manual,

1 environmental procedures, or other appropriate documents to incorporate
2 the directive.

3 ~~((+8))~~ (7) If the "Green Highway" provisions of Engrossed Second
4 Substitute House Bill No. 1303 (cleaner energy) are enacted, the
5 department shall erect signs on the interstate highways included in
6 those provisions noting that these interstates have been designated
7 "Washington Green Highways."

8 ~~((+9))~~ (8) If on the I-405/I-90 to SE 8th Street Widening project
9 the department finds that there is an alternative investment to
10 preserve reliable rail accessibility to major manufacturing sites
11 within the I-405 corridor that are less expensive than replacing the
12 Wilburton Tunnel, the department may enter into the necessary
13 agreements to implement that alternative provided that costs remain
14 within the approved project budget.

15 ~~((+11))~~ (9) The department shall apply for surface transportation
16 program (STP) enhancement funds to be expended in lieu of or in
17 addition to state funds for eligible costs of projects in Programs I
18 and P, including, but not limited to, the SR 518, SR 519, SR 520, and
19 Alaskan Way Viaduct projects.

20 ~~((+12))~~ (10) \$250,000 of the motor vehicle account--state
21 appropriation ~~((is))~~ and \$226,000 of the motor vehicle account--federal
22 appropriation are provided solely for an inland pacific hub study to
23 develop an inland corridor for the movement of freight and goods to and
24 through eastern Washington; and \$500,000 of the motor vehicle account--
25 state appropriation is provided solely for the SR3/SR16 corridor study
26 to plan and prioritize state and local improvements needed over the
27 next 10-20 years to support safety, capacity development, and economic
28 development within the corridor.

29 ~~((+13))~~ (11) The department shall, on a quarterly basis beginning
30 July 1, 2007, provide to the office of financial management and the
31 legislature reports providing the status on each active project funded
32 in part or whole by the transportation 2003 account (nickel account) or
33 the transportation partnership account. Funding provided at a
34 programmatic level for transportation partnership account and
35 transportation 2003 account (nickel account) projects relating to
36 bridge rail, guard rail, fish passage barrier removal, and roadside
37 safety projects should be reported on a programmatic basis. Projects
38 within this programmatic level funding should be completed on a

1 priority basis and scoped to be completed within the current
2 programmatic budget. Other projects may be reported on a programmatic
3 basis. The department shall work with the office of financial
4 management and the transportation committees of the legislature to
5 agree on report formatting and elements. Elements shall include, but
6 not be limited to, project scope, schedule, and costs. The department
7 shall also provide the information required under this subsection on a
8 quarterly basis via the transportation executive information systems
9 (TEIS).

10 ~~((14))~~ (12) The department shall apply for the competitive
11 portion of federal transit administration funds for eligible transit-
12 related costs of the SR 520 bridge replacement and HOV project. The
13 federal funds described in this subsection shall not include those
14 federal transit administration funds distributed by formula.

15 ~~((15))~~ (13) Funding provided by this act for the Alaskan Way
16 Viaduct project shall not be spent for preliminary engineering, design,
17 right-of-way acquisition, or construction on the project if completion
18 of the project would more likely than not reduce the capacity of the
19 facility. Capacity shall be measured by including the consideration of
20 the efficient movement of people and goods on the facility.

21 ~~((16))~~ (14) The governor shall convene a collaborative process
22 involving key leaders to determine the final project design for the
23 Alaskan Way Viaduct.

24 (a) The process shall be guided by the following common principles:
25 Public safety must be maintained; the final project shall meet both
26 capacity and mobility needs; and taxpayer dollars must be spent
27 responsibly.

28 (b) The state's project expenditures shall not exceed
29 \$2,800,000,000.

30 (c) A final design decision shall be made by December 31, 2008.

31 ~~((17))~~ (15) During the 2007-09 biennium, the department shall
32 proceed with a series of projects on the Alaskan Way Viaduct that are
33 common to any design alternative. Those projects include relocation of
34 two electrical transmission lines, Battery Street tunnel upgrades,
35 seismic upgrades from Lenora to the Battery Street tunnel, viaduct
36 removal from Holgate to King Street, and development of transit
37 enhancements and other improvements to mitigate congestion during
38 construction.

1 ~~((18) The entire freight congestion relief account state~~
2 ~~appropriation is contingent upon the enactment during the 2007-2009~~
3 ~~fiscal biennium of a bill, resulting from the study established in~~
4 ~~Substitute Senate Bill No. 5207, that makes available funding to~~
5 ~~support project expenditures funded from the freight congestion relief~~
6 ~~account created in Substitute Senate Bill No. 5207. If such a funding~~
7 ~~bill is not enacted by June 30, 2009, the entire freight congestion~~
8 ~~relief account state appropriation shall lapse.~~

9 ***(19)) (16) The transportation 2003 account (nickel account)--state***
10 ***appropriation includes up to ((\$874,610,000)) \$825,000,000 in proceeds***
11 ***from the sale of bonds authorized by RCW 47.10.861.***

12 ***((20)) (17) The transportation partnership account--state***
13 ***appropriation includes up to ((\$900,000,000)) \$740,000,000 in proceeds***
14 ***from the sale of bonds authorized in RCW 47.10.873.***

15 ***((21)) (18) The special category C account--state appropriation***
16 ***includes up to ((\$22,080,000)) \$21,497,000 in proceeds from the sale of***
17 ***bonds authorized in Substitute House Bill No. 2394. If Substitute***
18 ***House Bill No. 2394 is not enacted by June 30, 2007, the amount***
19 ***provided in this subsection shall lapse.***

20 ***((22)) (19) \$4,500,000 of the motor vehicle account--federal***
21 ***appropriation is provided solely for cost increases on the SR***
22 ***304/Bremerton tunnel project.***

23 ***((23) \$3,000,000) (20) \$2,071,000 of the motor vehicle account--***
24 ***(state) federal appropriation is provided solely for initial design***
25 ***and right of way work on a new southbound SR 509 to eastbound SR 518***
26 ***freeway-to-freeway elevated ramp.***

27 ***((24)) (21) \$500,000 of the motor vehicle account--federal***
28 ***appropriation to the SR 543/I-5 to Canadian border project is provided***
29 ***solely for retaining wall facia improvements.***

30 ***((25) \$1,400,000) (22) \$950,000 of the motor vehicle account--***
31 ***federal appropriation ((is)) and \$24,000 of the motor vehicle***
32 ***account--state appropriation are provided solely for the Westview***
33 ***school noise wall.***

34 ***((26)) (23) \$1,600,000 of the motor vehicle account--((federal))***
35 ***state appropriation is provided solely for two noise walls on SR 161 in***
36 ***King county.***

37 ***((27)) (24) ((\$900,000)) \$20,000 of the motor vehicle account--***

1 state appropriation and (~~(\$100,000)~~) \$280,000 of the motor vehicle
2 account--federal appropriation are provided solely for interchange
3 design and planning work on US 12 at A street and tank farm road.

4 (25) The funding described in this section includes \$19,939,000 of
5 the transportation partnership account--state appropriation, \$29,000 of
6 the motor vehicle account--state appropriation, \$308,000 of the motor
7 vehicle account--private/local appropriation, and \$17,900,000 of the
8 motor vehicle account--federal appropriation for the I-5/Columbia river
9 crossing/Vancouver project. The funding described in this subsection
10 includes up to \$15,000,000 awarded to Washington and Oregon jointly
11 through the U.S. department of transportation corridors of the future
12 program in the 2007 federal highway authority discretionary fund
13 allocations.

14 (26) The department shall study any outstanding issues, including
15 financial issues that may apply to the I-5/Columbia river
16 crossing/Vancouver project. The department's efforts must include an
17 analysis of current bi-state efforts in planning, coordination, and
18 funding for the project; opportunities for the joining of state and
19 local government agencies and the private sector in a strong
20 partnership that contributes to the completion of the project; and
21 opportunities to work with the congressional delegations of Oregon and
22 Washington to provide federal funding and other assistance that will
23 advance this project of national and regional significance.

24 (27) \$1,500,000 of the motor vehicle account--federal appropriation
25 and \$4,908,000 of the transportation partnership account--state
26 appropriation are provided solely for project 1090400 as identified in
27 the LEAP transportation document in subsection (1) of this section:
28 I-90/Two-Way Transit-Transit and HOV Improvements, Stages 2 and 3. Of
29 these amounts, up to \$550,000 of the transportation partnership
30 account--state appropriation is to provide funding for an independent
31 technical review, overseen by the joint transportation committee, of
32 light rail impacts on the Interstate 90 - Homer Hadley Floating Bridge.
33 The technical review shall complement sound transit's current and
34 planned engineering design work to expand light rail in the central
35 Puget Sound region. The department shall coordinate its work with
36 sound transit and seek contributions from sound transit for the review.

37 (28) \$1,400,000 of the motor vehicle account--state appropriation
38 is provided solely for safety improvements on US Highway 2 between

1 Monroe and Gold Bar. Additional project funding of \$8,600,000 is
2 assumed in the 2009-2011 biennium, bringing the total project funding
3 to \$10,000,000. This high priority safety project will provide safety
4 enhancements on US Highway 2 between Gold Bar and Monroe, such as a
5 passing lane or interchange/turning lane improvements. The department
6 shall seek input from the US Highway 2 safety coalition to select
7 projects that will help reduce fatalities on this corridor.

8 (29) \$2,267,000 of the motor vehicle account--federal
9 appropriation, \$218,500 of the motor vehicle account--state
10 appropriation, and \$1,500,000 of the motor vehicle account--
11 private/local appropriation are provided solely for installing
12 centerline rumble strips and related improvements on US Highway 2
13 between Monroe and Sultan. The section of US Highway 2 from Monroe to
14 Deception Creek has a high frequency of centerline crossover
15 collisions. By installing centerline rumble strips, the project will
16 reduce the risk of crossover collisions. This project will also place
17 shoulder rumble strips between Monroe and Sultan.

18 (30) \$1,500,000 of the motor vehicle account--state appropriation
19 is provided solely for the SR 28/E End of the George Sellar bridge
20 (202802V) for the purpose of funding a pedestrian tunnel connection.
21 This funding is provided in anticipation of a federal grant specific to
22 this project, which, if received, must be used to reimburse the state
23 funding provided in this subsection.

24 (31) For the period of preconstruction tolling on the state route
25 520 bridge, the department shall develop improvements of traffic flow
26 from the eastern Lake Washington shoreline to 108th avenue northeast in
27 Bellevue including:

28 (a) Near-term, low-cost enhancements which relocate the high-
29 occupancy vehicle lanes to the inside of the alignment; and

30 (b) A plan for an accelerated improvement project for the
31 construction of median flyer stops, reconfiguration of interchanges,
32 addition of direct access ramps, community enhancement lids, and
33 pedestrian/bike path connections.

34 The department shall report to the joint transportation committee by
35 September 1, 2008, on the short-term low-cost improvement plans and
36 include in their budget submittal to the office of financial management
37 a proposal for the accelerated improvement project.

**Sec. 306 was partially vetoed. See message at end of chapter.*

1 (3) (~~(\$5,513,000)~~) \$5,308,000 of the transportation partnership
2 account--state appropriation is provided solely for the purposes of
3 settling all identified and potential claims from the Lower Elwha
4 Klallam Tribe related to the construction of a graving dock facility on
5 the graving dock property. In the matter of *Lower Elwha Klallam Tribe*
6 *et al v. State et al*, Thurston county superior court, cause no.
7 05-2-01595-8, the Lower Elwha Klallam Tribe and the state of Washington
8 entered into a settlement agreement that settles all claims related to
9 graving dock property and associated construction and releases the
10 state from all claims related to the construction of the graving dock
11 facilities. The expenditure of this appropriation is contingent on the
12 conditions and limitations set forth in subsections (a) and (b) of this
13 subsection.

14 (a) \$2,000,000 of the transportation partnership account--state
15 appropriation is provided solely for the benefit of the Lower Elwha
16 Klallam Tribe to be disbursed by the department in accordance with
17 terms and conditions of the settlement agreement.

18 (b) (~~(\$3,513,000)~~) \$3,308,000 of the transportation partnership
19 account--state appropriation is provided solely for the department's
20 remediation work on the graving dock property in accordance with the
21 terms and conditions of the settlement agreement.

22 (4) The department shall apply for surface transportation program
23 (STP) enhancement funds to be expended in lieu of or in addition to
24 state funds for eligible costs of projects in Programs I and P,
25 including, but not limited to, the SR 518, SR 519, SR 520, and Alaskan
26 Way Viaduct projects.

27 (5) The department shall, on a quarterly basis beginning July 1,
28 2007, provide to the office of financial management and the legislature
29 reports providing the status on each active project funded in part or
30 whole by the transportation 2003 account (nickel account) or the
31 transportation partnership account. Funding provided at a programmatic
32 level for transportation partnership account projects relating to
33 seismic bridges should be reported on a programmatic basis. Projects
34 within this programmatic level funding should be completed on a
35 priority basis and scoped to be completed within the current
36 programmatic budget. Other projects may be reported on a programmatic
37 basis. The department shall work with the office of financial
38 management and the transportation committees of the legislature to

1 agree on report formatting and elements. Elements shall include, but
2 not be limited to, project scope, schedule, and costs. The department
3 shall also provide the information required under this subsection on a
4 quarterly basis via the transportation executive information systems
5 (TEIS).

6 (6) The department of transportation shall continue to implement
7 the lowest life cycle cost planning approach to pavement management
8 throughout the state to encourage the most effective and efficient use
9 of pavement preservation funds. Emphasis should be placed on
10 increasing the number of roads addressed on time and reducing the
11 number of roads past due.

12 (7) (~~(\$2,604,501)~~) \$13,257,000 of the motor vehicle account--
13 federal appropriation and (~~(\$3,000,000)~~) \$5,000,000 of the motor
14 vehicle account--state appropriation are for expenditures on damaged
15 state roads due to flooding, mudslides, rock fall, or other unforeseen
16 events.

17 (8) (~~(\$9,665)~~) \$188,000 of the motor vehicle account--state
18 appropriation, (~~(\$12,652,812)~~) \$28,749,000 of the motor vehicle
19 account--federal appropriation, and (~~(\$138,174,581)~~) \$105,653,000 of
20 the transportation partnership account--state appropriation are
21 provided solely for the Hood Canal bridge project.

22 (9) \$12,500,000 of the Puyallup tribal settlement account--state
23 appropriation is provided solely for mitigation costs associated with
24 the Murray Morgan/11th Street Bridge demolition. The department may
25 negotiate with the city of Tacoma for the purpose of transferring
26 ownership of the Murray Morgan/11th Street Bridge to the city. If the
27 city agrees to accept ownership of the bridge, the department may use
28 the Puyallup tribal settlement account appropriation and other
29 appropriated funds for bridge rehabilitation, bridge replacement,
30 bridge demolition, and related mitigation. In no event shall the
31 department's participation exceed \$39,953,000. No funds may be
32 expended unless the city of Tacoma agrees to take ownership of the
33 bridge in its entirety and provides that the payment of these funds
34 extinguishes any real or implied agreements regarding future bridge
35 expenditures.

36 **Sec. 308.** 2007 c 518 s 307 (uncodified) is amended to read as
37 follows:

1 **FOR THE DEPARTMENT OF TRANSPORTATION--TRAFFIC OPERATIONS--PROGRAM Q--**
2 **CAPITAL**

3	Motor Vehicle Account--State Appropriation	((\$9,212,000))
4		<u>\$9,462,000</u>
5	Motor Vehicle Account--Federal Appropriation	\$15,951,000
6	Motor Vehicle Account--Private/Local Appropriation	\$74,000
7	TOTAL APPROPRIATION	((\$25,237,000))
8		<u>\$25,487,000</u>

9 The appropriations in this section are subject to the following
10 conditions and limitations: The motor vehicle account--state
11 appropriation includes ((~~\$8,833,000~~)) \$8,959,335 provided solely for
12 state matching funds for federally selected competitive grant or
13 congressional earmark projects. These moneys shall be placed into
14 reserve status until such time as federal funds are secured that
15 require a state match.

16 **Sec. 309.** 2007 c 518 s 308 (uncodified) is amended to read as
17 follows:

18 **FOR THE DEPARTMENT OF TRANSPORTATION--WASHINGTON STATE FERRIES**
19 **CONSTRUCTION--PROGRAM W**

20	Puget Sound Capital Construction Account--State	
21	Appropriation	((\$139,139,000))
22		<u>\$142,250,000</u>
23	Puget Sound Capital Construction Account--Federal	
24	Appropriation	((\$66,145,000))
25		<u>\$45,259,000</u>
26	<u>Puget Sound Capital Construction Account--</u>	
27	<u>Private/Local Appropriation</u>	<u>\$2,089,000</u>
28	Multimodal Transportation Account--State	
29	Appropriation	\$4,100,000
30	Transportation 2003 Account (Nickel Account)--State	
31	Appropriation	((\$76,525,000))
32		<u>\$59,469,000</u>
33	TOTAL APPROPRIATION	((\$285,909,000))
34		<u>\$253,167,000</u>

35 The appropriations in this section are subject to the following
36 conditions and limitations:

1 (1) (~~(\$6,432,000)~~) \$36,500,000 of the Puget Sound capital
2 construction account--state appropriation is provided solely for
3 (~~(emergency capital costs)~~) project 944470A as identified in the LEAP
4 Transportation Document 2008-1, Ferries Construction Program (W) as
5 developed March 10, 2008, for the construction of three marine vessels
6 to replace the steel electric auto ferry vessels. The document
7 includes a total of \$84,500,000 for these replacement vessels.

8 (2) (~~(\$16,567,000)~~) \$21,460,823 of the Puget Sound capital
9 construction account--state appropriation (~~(and)~~), \$4,100,000 of the
10 multimodal transportation account--state appropriation, \$5,410,000 of
11 the transportation 2003 account (nickel account)--state appropriation,
12 \$4,490,000 of the Puget Sound capital construction account--federal
13 appropriation, and \$2,089,000 of the Puget Sound capital construction
14 account--private/local appropriation are provided solely for the
15 terminal projects listed:

16 (a) Anacortes ferry terminal - utilities work; right-of-way
17 purchase for a holding area during construction; and completion of
18 design and permitting on the terminal building, pick-up and drop-off
19 sites, and pedestrian and bicycle facilities;

20 (b) Bainbridge Island ferry terminal - environmental planning and
21 a traffic signalization project in the vicinity of SR 305 Harborview
22 drive;

23 (c) Bremerton ferry terminal - overhead loading control system and
24 moving the terminal agent's office;

25 (d) Clinton ferry terminal - septic system replacement;

26 (e) Edmonds ferry terminal - right-of-way acquisition costs
27 (~~(and)~~), federal match requirements, and removal of Unocal Pier;

28 (f) Friday Harbor ferry terminal - parking resurfacing;

29 (g) Keystone and Port Townsend ferry terminals - route
30 environmental planning;

31 (h) Kingston ferry terminal - transfer span retrofit and overhead
32 vehicle holding control system modifications;

33 (i) Mukilteo ferry terminal - right-of-way acquisition,
34 archaeological studies, (~~(and)~~) environmental planning, and additional
35 vehicle holding;

36 (j) Orcas ferry terminal - dolphin replacement;

37 (k) Port Townsend ferry terminal - wingwall replacement, interim
38 holding, tie-up slip, and initial reservation system;

1 ~~((k))~~ (l) Seattle ferry terminal - environmental planning,
2 coordination with local jurisdictions, ~~((and))~~ coordination with
3 highway projects, and contractor payment for automated re-entry gates;
4 ~~((and~~

5 ~~(+))~~ (m) Southworth ferry terminal - federal grant to conduct
6 preliminary studies and planning for a 2nd operating slip; and
7 (n) Vashon Island and Seattle ferry terminals - modify the
8 passenger-only facilities.

9 ~~((4) \$76,525,000))~~ (3) \$46,020,666 of the transportation 2003
10 account (nickel account)--state appropriation and ~~((50,985,000))~~
11 \$3,750,000 of the Puget Sound capital construction account--~~((state))~~
12 federal appropriation are provided solely for the procurement of
13 ~~((four))~~ up to three 144-vehicle auto-passenger ferry vessels.

14 ~~((5))~~ (4) \$18,716,000 of the Puget Sound capital construction
15 account--state appropriation is provided solely for the Eagle Harbor
16 maintenance facility preservation project. These funds may not be used
17 for relocating any warehouses not currently on the Eagle Harbor site.

18 ~~((6))~~ (5) The department shall research an asset management
19 system to improve Washington state ferries' management of capital
20 assets and the department's ability to estimate future preservation
21 needs. The department shall report its findings regarding a new asset
22 management system to the governor and the transportation committees of
23 the legislature no later than January 15, 2008.

24 ~~((7))~~ (6) The department shall sell the M.V. Chinook and M.V.
25 Snohomish passenger-only fast ferries as soon as practicable and
26 deposit the proceeds of the sales into the passenger ferry account
27 created in RCW 47.60.645. Once the department ceases to provide
28 passenger-only ferry service, the department shall sell the M.V. Kalama
29 and M.V. Skagit passenger-only ferries and deposit the proceeds of the
30 sales into the passenger ferry account created in RCW 47.60.645.

31 ~~((8))~~ (7) The department shall, on a quarterly basis beginning
32 July 1, 2007, provide to the office of financial management and the
33 legislature reports providing the status on each project listed in this
34 section and in the project lists submitted pursuant to this act and on
35 any additional projects for which the department has expended funds
36 during the 2007-09 fiscal biennium. Elements shall include, but not be
37 limited to, project scope, schedule, and costs. The department shall

1 also provide the information required under this subsection via the
2 transportation executive information systems (TEIS).

3 (8) \$1,105,000 of the Puget Sound capital construction
4 account--state appropriation and \$8,038,000 of the transportation 2003
5 account (nickel account)--state appropriation are provided solely for
6 a dolphin replacement project at the Vashon Island ferry terminal. The
7 department shall submit a predesign study to the joint transportation
8 committee before beginning design or construction of this project.

9 (9) The department of transportation is authorized to sell up to
10 \$105,000,000 in bonds authorized by RCW 47.10.843 for vessel and
11 terminal acquisition, major and minor improvements, and long lead-time
12 materials acquisition for the Washington state ferries.

13 (10) The department shall review the costs and benefits of
14 continued use of the primavera scheduling system in the Washington
15 state ferries marine division and include that review with its 2009-
16 2011 budget submittal.

17 (11) The department shall review staffing in its capital
18 engineering divisions to ensure core competency in, and a focus on,
19 terminal and vessel preservation, with staffing sufficient to implement
20 the preservation program in the capital plan. Until the completion of
21 the capital plan, the department shall maintain capital staffing levels
22 at or below the level of staffing on January 1, 2008.

23 (12) The department shall sell, be in the process of selling, or
24 otherwise dispose of the four steel electric auto-ferry vessels in the
25 most cost effective way practicable no later than June 1, 2008.

26 **Sec. 310.** 2007 c 518 s 309 (uncodified) is amended to read as
27 follows:

28 **FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--CAPITAL**

29	Essential Rail Assistance Account--State Appropriation . . .	\$500,000
30	((Freight Congestion Relief Account--State	
31	Appropriation	\$25,000,000))
32	Transportation Infrastructure Account--State	
33	Appropriation	(((\$2,500,000))
34		<u>\$1,713,000</u>
35	<u>Transportation Infrastructure Account--Federal</u>	
36	<u>Appropriation</u>	<u>\$787,000</u>
37	Multimodal Transportation Account--State	

1	Appropriation	((\$154,637,000))
2		<u>\$165,512,000</u>
3	Multimodal Transportation Account--Federal	
4	Appropriation	((\$30,450,000))
5		<u>\$33,906,000</u>
6	Multimodal Transportation Account--Private/Local	
7	Appropriation	((\$7,894,000))
8		<u>\$2,659,000</u>
9	TOTAL APPROPRIATION	((\$220,981,000))
10		<u>\$205,077,000</u>

11 The appropriations in this section are subject to the following
12 conditions and limitations:

13 (1)(a) Except as provided otherwise in (~~subsection (8) of~~) this
14 section, the entire appropriations in this section are provided solely
15 for the projects and activities as listed by fund, project, and amount
16 in LEAP Transportation Document (~~(2007-1)~~) 2008-1, Rail Capital Program
17 (Y) as developed (~~(April 20, 2007)~~) March 10, 2008. However, limited
18 transfers of specific line-item project appropriations may occur
19 between projects for those amounts listed subject to the conditions and
20 limitations in section 603 of this act.

21 (b) Within the amounts provided in this section, (~~(\$2,500,000)~~)
22 \$1,713,000 of the transportation infrastructure account--state
23 appropriation (~~is~~) and \$787,000 of the transportation infrastructure
24 account--federal appropriation are for low-interest loans for rail
25 capital projects through the freight rail investment bank program. The
26 department shall issue a call for projects based upon the legislative
27 priorities specified in subsection (7)(a) of this section. Application
28 must be received by the department by (~~(November 1, 2007)~~) October 1,
29 2008. By (~~(December 1, 2007)~~) November 1, 2008, the department shall
30 submit a prioritized list of recommended projects to the office of
31 financial management and the transportation committees of the
32 legislature. The department shall award low-interest loans to the port
33 of Moses Lake in the amount of \$213,000, and based upon the prioritized
34 list of rail capital projects most recently submitted to the
35 legislature pursuant to this subsection, as follows: Port of Benton
36 County (\$250,000); Port of Everett (\$250,000); Central Terminals, LLC
37 (\$250,000); Tacoma Rail--Maintenance Facility (\$250,000); NW Container

1 Service (\$250,000); Port of Chehalis (\$250,000); Ballard Terminal
2 Railroad (\$250,000); Eastern Washington Gateway Railroad (\$36,875);
3 Spokane County (\$250,000); Tacoma Rail--Locomotive Idling (\$250,000).

4 (c) Within the amounts provided in this section, (~~(\$3,335,000)~~)
5 \$2,561,000 of the multimodal transportation account--state
6 appropriation is for statewide - emergent freight rail assistance
7 projects. However, the department shall perform a cost/benefit
8 analysis of the projects according to the legislative priorities
9 specified in subsection (7)(a) of this section, and shall give priority
10 to the following projects: Rail - Tacoma rail yard switching upgrades
11 (\$500,000); Rail - Port of Ephrata spur rehabilitation (\$127,000); Rail
12 - Lewis and Clark rail improvements (\$1,100,000); Rail - Port of Grays
13 Harbor rail access improvements (\$543,000); and Rail - Port of Longview
14 rail loop construction (\$291,000)(~~and Rail - Port of Chehalis~~
15 ~~(\$774,000))~~). If the relative cost of any of the six projects
16 identified in this subsection (1)(c) is not substantially less than the
17 public benefits to be derived from the project, then the department
18 shall not assign the funds to the project, and instead shall use those
19 funds toward those projects identified by the department in the
20 attachments to the "Washington State Department of Transportation
21 FREIGHT RAIL ASSISTANCE FUNDING PROGRAM: 2007-2009 Prioritized Project
22 List and Program Update" dated December 2006 for which the proportion
23 of public benefits to be gained compared to the cost of the project is
24 greatest.

25 ~~(d) ((Within the amounts provided in this section, \$25,000,000 of~~
26 ~~the freight congestion relief account state appropriation is for~~
27 ~~modifications to the Stampede Pass rail tunnel to facilitate the~~
28 ~~movement of double stacked rail cars. The department shall quantify~~
29 ~~and report to the legislature by December 1, 2007, the volume of~~
30 ~~freight traffic that would likely be shipped by rail rather than trucks~~
31 ~~if the Stampede Pass rail tunnel were modified to accommodate double~~
32 ~~stacked rail cars.~~

33 ~~(e))~~ Within the amounts provided in this section, (~~(\$200,000)~~)
34 \$339,000 of the multimodal transportation account--state appropriation
35 is for rescoping and completion of required environmental documents for
36 the Kelso to Martin's Bluff - 3rd Mainline and Storage Tracks project.
37 The rescoped project may include funds that are committed to the
38 project by local or private funding partners. However, the rescoped

1 project must be capable of being completed with not more than
2 \$49,470,000 in future state funding, inclusive of inflation costs.
3 Subject to this funding constraint, the rescoped project must maximize
4 capacity improvements along the rail mainline.

5 ~~((f))~~ (e) Within the amounts provided in this section, \$3,600,000
6 of the multimodal transportation account--state appropriation is for
7 work items on the Palouse River and Coulee City Railroad lines.

8 (2) The multimodal transportation account--state appropriation
9 includes up to ~~((\$137,620,000))~~ \$144,500,000 in proceeds from the sale
10 of bonds authorized by RCW 47.10.867.

11 (3) The department is directed to seek the use of unprogrammed
12 federal rail crossing funds to be expended in lieu of or in addition to
13 state funds for eligible costs of projects in Program Y, including, but
14 not limited to the "Tacoma -- bypass of Pt. Defiance" project.

15 (4) If new federal funding for freight or passenger rail is
16 received, the department shall consult with the transportation
17 committees of the legislature and the office of financial management
18 prior to spending the funds on existing or additional projects.

19 (5) The department shall sell any ancillary property, acquired when
20 the state purchased the right-of-ways to the PCC rail line system, to
21 a lessee of the ancillary property who is willing to pay fair market
22 value for the property. The department shall deposit the proceeds from
23 the sale of ancillary property into the transportation infrastructure
24 account.

25 ~~((The entire freight congestion relief account state
26 appropriation is contingent upon the enactment during the 2007-2009
27 fiscal biennium of a bill, resulting from the study established in
28 Substitute Senate Bill No. 5207, that makes available funding to
29 support project expenditures funded from the freight congestion relief
30 account created in Substitute Senate Bill No. 5207. If such a funding
31 bill is not enacted by June 30, 2009, the entire freight congestion
32 relief account state appropriation shall lapse.~~

33 ~~(7))~~(a) The department shall develop and implement the
34 benefit/impact evaluation methodology recommended in the statewide rail
35 capacity and needs study finalized in December 2006. The
36 benefit/impact evaluation methodology shall be developed using the
37 following priorities, in order of relative importance:

1 (i) Economic, safety, or environmental advantages of freight
2 movement by rail compared to alternative modes;

3 (ii) Self-sustaining economic development that creates family-wage
4 jobs;

5 (iii) Preservation of transportation corridors that would otherwise
6 be lost;

7 (iv) Increased access to efficient and cost-effective transport to
8 market for Washington's agricultural and industrial products;

9 (v) Better integration and cooperation within the regional,
10 national, and international systems of freight distribution; and

11 (vi) Mitigation of impacts of increased rail traffic on
12 communities.

13 (b) The department shall convene a work group to collaborate on the
14 development of the benefit/impact analysis method to be used in the
15 evaluation. The work group must include, at a minimum, the freight
16 mobility strategic investment board, the department of agriculture, and
17 representatives from the various users and modes of the state's rail
18 system.

19 (c) The department shall use the benefit/impact analysis and
20 priorities in (a) of this subsection when submitting requests for state
21 funding for rail projects. The department shall develop a standardized
22 format for submitting requests for state funding for rail projects that
23 includes an explanation of the analysis undertaken, and the conclusions
24 derived from the analysis.

25 (d) The department and the freight mobility strategic investment
26 board shall collaborate to submit a report to the office of financial
27 management and the transportation committees of the legislature by
28 September 1, 2008, listing proposed freight highway and rail projects.
29 The report must describe the analysis used for selecting such projects,
30 as required by this act for the department and as required by chapter
31 47.06A RCW for the board. When developing its list of proposed freight
32 highway and rail projects, the freight mobility strategic investment
33 board shall use the priorities identified in (a) of this subsection to
34 the greatest extent possible.

35 ~~((8) \$5,000,000 of the multimodal transportation account state~~
36 ~~appropriation is reappropriated and provided solely for the costs of~~
37 ~~acquisition of the PCC railroad associated with the memorandum of~~

1 understanding (MOU), which was executed between Washington state and
2 Watco. Total costs associated with the MOU shall not exceed
3 \$10,937,000.)

4 (7) The department shall apply at the earliest possible date for
5 grants, pursuant to the new competitive intercity rail grant program
6 announced by the federal railroad administration on February 19, 2008,
7 for any projects that may qualify for such federal grants and are
8 currently identified on the project list referenced in subsection
9 (1)(a) of this section.

10 (8) Up to \$8,500,000 of any underexpenditures of state funding
11 designated on the project list referenced in subsection (1)(a) of this
12 section for the "Vancouver-Rail Bypass and W 39th Street Bridge"
13 project may be used to upgrade, to class 2 condition, track owned by
14 Clark county between Vancouver and Battle Ground.

15 (9) Up to \$400,000 of the multimodal transportation account--state
16 appropriation is contingent upon the port of Chehalis submitting a full
17 copy of the FEMA application packet to the department in order to
18 assist the department in verifying the scope of the repairs and the
19 rail transportation value of the project identified on the project list
20 referenced in subsection (1)(a) of this section as "Port of
21 Chehalis-Track Rehabilitation" (F01002A).

22 **Sec. 311.** 2007 c 518 s 310 (uncodified) is amended to read as
23 follows:

24 **FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--**
25 **CAPITAL**

26	Highway Infrastructure Account--State Appropriation	\$207,000
27	Highway Infrastructure Account--Federal	
28	Appropriation	\$1,602,000
29	Freight Mobility Investment Account--State	
30	Appropriation	((\$12,500,000))
31		<u>\$12,378,000</u>
32	((Freight Congestion Relief Account--State	
33	Appropriation	\$46,720,000))
34	Transportation Partnership Account--State	
35	Appropriation	((\$2,906,000))
36		<u>\$3,906,000</u>
37	Motor Vehicle Account--State Appropriation	((\$9,854,000))

1		<u>\$12,870,000</u>
2	Motor Vehicle Account--Federal Appropriation	((\$60,150,000))
3		<u>\$63,823,000</u>
4	Freight Mobility Multimodal Account--State	
5	Appropriation	((\$12,100,000))
6		<u>\$12,750,000</u>
7	<u>Freight Mobility Multimodal Account--</u>	
8	<u>Private/Local Appropriation</u>	<u>\$3,755,000</u>
9	Multimodal Transportation Account--Federal	
10	Appropriation	((\$3,500,000))
11		<u>\$4,224,000</u>
12	Multimodal Transportation Account--State	
13	Appropriation	((\$33,158,000))
14		<u>\$32,134,000</u>
15	Transportation 2003 Account (Nickel Account)--State	
16	Appropriation	((\$2,706,000))
17		<u>\$2,721,000</u>
18	Passenger Ferry Account--State Appropriation	\$8,500,000
19	TOTAL APPROPRIATION	((\$193,903,000))
20		<u>\$158,870,000</u>

21 The appropriations in this section are subject to the following
22 conditions and limitations:

23 (1) The department shall, on a quarterly basis, provide status
24 reports to the legislature on the delivery of projects as outlined in
25 the project lists incorporated in this section. For projects funded by
26 new revenue in the 2003 and 2005 transportation packages, reporting
27 elements shall include, but not be limited to, project scope, schedule,
28 and costs. Other projects may be reported on a programmatic basis.
29 The department shall also provide the information required under this
30 subsection on a quarterly basis via the transportation executive
31 information system (TEIS).

32 (2) \$8,500,000 of the passenger ferry account--state appropriation
33 is provided solely for near and long-term costs of capital improvements
34 in a business plan approved by the governor for passenger ferry
35 service.

36 (3) The department shall seek the use of unprogrammed federal rail
37 crossing funds to be expended in lieu of or in addition to state funds
38 for eligible costs of projects in local programs, program Z capital.

1 (4) The department shall apply for surface transportation program
2 (STP) enhancement funds to be expended in lieu of or in addition to
3 state funds for eligible costs of projects in local programs, program
4 Z capital.

5 (5) Federal funds may be transferred from program Z to programs I
6 and P and state funds shall be transferred from programs I and P to
7 program Z to replace those federal funds in a dollar-for-dollar match.
8 Fund transfers authorized under this subsection shall not affect
9 project prioritization status. Appropriations shall initially be
10 allotted as appropriated in this act. The department may not transfer
11 funds as authorized under this subsection without approval of the
12 office of financial management. The department shall submit a report
13 on those projects receiving fund transfers to the office of financial
14 management and the transportation committees of the legislature by
15 December 1, 2007, and December 1, 2008.

16 (6) The city of Winthrop may utilize a design-build process for the
17 Winthrop bike path project. Of the amount appropriated in this section
18 for this project, \$500,000 of the multimodal transportation account--
19 state appropriation is contingent upon the state receiving from the
20 city of Winthrop \$500,000 in federal funds awarded to the city of
21 Winthrop by its local planning organization.

22 (7) (~~(\$7,000,000)~~) \$11,591,224 of the multimodal transportation
23 account--state appropriation, (~~(\$7,000,000)~~) \$8,640,239 of the motor
24 vehicle account--federal appropriation, and \$4,000,000 of the motor
25 vehicle account--federal appropriation are provided solely for the
26 pedestrian and bicycle safety program projects and safe routes to
27 schools program projects identified in the LEAP Transportation Document
28 2007-A, pedestrian and bicycle safety program projects and safe routes
29 to schools program projects as developed April 20, 2007. Projects must
30 be allocated funding based on order of priority. The department shall
31 review all projects receiving grant awards under this program at least
32 semiannually to determine whether the projects are making satisfactory
33 progress. Any project that has been awarded funds, but does not report
34 activity on the project within one year of the grant award, shall be
35 reviewed by the department to determine whether the grant should be
36 terminated. The department shall promptly close out grants when
37 projects have been completed, and identify where unused grant funds

1 remain because actual project costs were lower than estimated in the
2 grant award.

3 (8) Up to a maximum of \$5,000,000 of the multimodal transportation
4 account--state appropriation and up to a maximum of \$2,000,000 of the
5 motor vehicle account--federal appropriation are reappropriated for the
6 pedestrian and bicycle safety program projects and safe routes to
7 schools program projects identified in the LEAP transportation document
8 2006-B, pedestrian and bicycle safety program projects and safe routes
9 to schools program projects as developed March 8, 2006. Projects must
10 be allocated funding based on order of priority. The department shall
11 review all projects receiving grant awards under this program at least
12 semiannually to determine whether the projects are making satisfactory
13 progress. Any project that has been awarded funds, but does not report
14 activity on the project within one year of the grant award, shall be
15 reviewed by the department to determine whether the grant should be
16 terminated. The department shall promptly close out grants when
17 projects have been completed, and identify where unused grant funds
18 remain because actual project costs were lower than estimated in the
19 grant award.

20 ~~(9) ((The entire freight congestion relief account state~~
21 ~~appropriation is contingent upon the enactment during the 2007-2009~~
22 ~~fiscal biennium of a bill, resulting from the study established in~~
23 ~~Substitute Senate Bill No. 5207, that makes available funding to~~
24 ~~support project expenditures funded from the freight congestion relief~~
25 ~~account created in Substitute Senate Bill No. 5207. If such a funding~~
26 ~~bill is not enacted by June 30, 2009, the entire freight congestion~~
27 ~~relief account state appropriation shall lapse.~~

28 ~~(10))~~ \$3,500,000 of the multimodal transportation account--federal
29 appropriation is provided solely for the Museum of Flight pedestrian
30 bridge safety project.

31 ~~((11))~~ (10) \$250,000 of the multimodal transportation account--
32 state appropriation is provided solely for the icicle rail station in
33 Leavenworth.

34 ~~((12))~~ (11) \$1,500,000 of the motor vehicle account--state
35 appropriation is provided solely for the Union Gap city road project.

36 ~~((13) \$350,000))~~ (12) \$250,000 of the motor vehicle account--state
37 appropriation is provided solely for the Saltwater state park bridge
38 project and off-site traffic control costs.

1 ((+14+)) (13) \$1,000,000 of the motor vehicle account--state
2 appropriation ((is)) and \$4,688,000 of the motor vehicle account--
3 federal appropriation are provided solely for the coal creek parkway
4 project.

5 ((+15+)) (14) \$250,000 of the multimodal transportation account--
6 state appropriation is provided solely for a streetcar feasibility
7 study in downtown Spokane.

8 ((+16+)) (15) \$500,000 of the motor vehicle account--((state))
9 federal appropriation is provided solely for ((the)) slide repairs
10 completed during 2007 and 2008 at or in the vicinity of marine view
11 drive bridge ((project)) on Marine View Drive and on Des Moines
12 Memorial Drive in Des Moines.

13 (16) \$1,100,000 of the motor vehicle account--state appropriation
14 is provided solely for local road improvements that connect to the I-82
15 valley mall boulevard project (5082010). Planned funding of an
16 additional \$2,000,000 shall be made available to this project in the
17 2009-11 biennium.

18 (17) \$2,400,000 of the motor vehicle account--state appropriation
19 is provided solely for completion of the riverside avenue extension
20 project in the city of Spokane.

21 (18) For the 2007-09 project appropriations, unless otherwise
22 provided in this act, the director of financial management may
23 authorize a transfer of appropriation authority between projects
24 managed by the freight mobility strategic investment board, in order
25 for the board to manage project spending and efficiently deliver all
26 projects in the respective program.

27 **TRANSFERS AND DISTRIBUTIONS**

28 **Sec. 401.** 2007 c 518 s 401 (uncodified) is amended to read as
29 follows:

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

34 Highway Bond Retirement Account Appropriation ((\$570,030,000))
35 \$544,061,000

1	Ferry Bond Retirement Account Appropriation	((\$38,059,000))
2		<u>\$37,380,000</u>
3	Transportation Improvement Board Bond Retirement	
4	Account--State Appropriation	((\$27,749,000))
5		<u>\$26,822,000</u>
6	Nondebt-Limit Reimbursable Account Appropriation . . .	((\$19,359,000))
7		<u>\$13,059,000</u>
8	Transportation Partnership Account--State	
9	Appropriation	((\$6,694,000))
10		<u>\$1,823,000</u>
11	Motor Vehicle Account--State Appropriation	((\$986,000))
12		<u>\$457,000</u>
13	Transportation Improvement Account--State Appropriation . . .	\$68,000
14	Multimodal Transportation Account--State	
15	Appropriation	((\$1,032,000))
16		<u>\$675,000</u>
17	Transportation 2003 Account (Nickel Account)--State	
18	Appropriation	((\$6,560,000))
19		<u>\$2,003,000</u>
20	Urban Arterial Trust Account--State Appropriation	((\$473,000))
21		<u>\$113,000</u>
22	Special Category C Account Appropriation	((\$160,000))
23		<u>\$99,000</u>
24	TOTAL APPROPRIATION	((\$671,170,000))
25		<u>\$626,560,000</u>

26 **Sec. 402.** 2007 c 518 s 402 (uncodified) is amended to read as
27 follows:

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

31	Transportation Partnership Account--State	
32	Appropriation	((\$2,254,000))
33		<u>\$243,000</u>
34	Motor Vehicle Account--State Appropriation	((\$329,000))
35		<u>\$61,000</u>
36	Transportation Improvement Account--State Appropriation	\$5,000
37	Multimodal Transportation Account--State Appropriation .	((\$130,000))

1		<u>\$90,000</u>
2	Transportation 2003 Account (Nickel Account)--State	
3	Appropriation	((\$2,187,000))
4		<u>\$267,000</u>
5	Urban Arterial Trust Account--State Appropriation	\$38,000
6	Special Category C Account--State Appropriation	((\$53,000))
7		<u>\$13,000</u>
8	TOTAL APPROPRIATION	((\$4,996,000))
9		<u>\$717,000</u>

10 **Sec. 403.** 2007 c 518 s 403 (uncodified) is amended to read as
11 follows:

12 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
13 **BOND REGISTRATION AND TRANSFER CHARGES: FOR MVFT BONDS AND TRANSFERS**
14 ((~~1~~)) Motor Vehicle Account--State Reappropriation:
15 For transfer to the Tacoma Narrows Toll Bridge
16 Account ((~~\$131,016,000~~))
17 \$19,133,000

18 The department of transportation is authorized to sell up to
19 ((~~\$131,016,000~~)) \$18,000,000 in bonds authorized by RCW 47.10.843 for
20 the Tacoma Narrows bridge project. Proceeds from the sale of the bonds
21 shall be deposited into the motor vehicle account. The department of
22 transportation shall inform the treasurer of the amount to be
23 deposited.

24 ((~~2~~) Motor Vehicle Account--State Appropriation:
25 For transfer to the Puget Sound Capital Construction
26 Account \$131,500,000

27 ~~The department of transportation is authorized to sell up to~~
28 ~~\$131,500,000 in bonds authorized by RCW 47.10.843 for vessel and~~
29 ~~terminal acquisition, major and minor improvements, and long lead time~~
30 ~~materials acquisition for the Washington state ferries.))~~

31 **Sec. 404.** 2007 c 518 s 404 (uncodified) is amended to read as
32 follows:

33 **FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION**
34 Motor Vehicle Account Appropriation for
35 motor vehicle fuel tax distributions to cities

1 and counties ((~~\$526,320,000~~))
2 \$501,783,827

3 **Sec. 405.** 2007 c 518 s 405 (uncodified) is amended to read as
4 follows:

5 **FOR THE STATE TREASURER--TRANSFERS**

6 Motor Vehicle Account--State
7 Appropriation: For motor vehicle fuel tax
8 refunds and statutory transfers ((~~\$937,181,000~~))
9 \$902,982,000

10 **Sec. 406.** 2007 c 518 s 406 (uncodified) is amended to read as
11 follows:

12 **FOR THE DEPARTMENT OF LICENSING--TRANSFERS**

13 Motor Vehicle Account--State
14 Appropriation: For motor vehicle
15 fuel tax refunds and transfers ((~~\$346,657,000~~))
16 \$445,345,000

17 ***Sec. 407.** 2007 c 518 s 407 (uncodified) is amended to read as
18 follows:

19 **FOR THE STATE TREASURER--ADMINISTRATIVE TRANSFERS**

20 (1) Recreational Vehicle Account--State
21 Appropriation: For transfer to the Motor Vehicle
22 Account--State ((~~\$3,005,000~~))
23 \$4,505,000

24 (2) License Plate Technology Account--State
25 Appropriation: For the Multimodal Transportation
26 Account--State \$4,500,000

27 (3) Motor Vehicle Account--State Appropriation:
28 For transfer to the High-Occupancy Toll Lanes Operations--
29 State Account \$3,000,000

30 (4) Motor Vehicle Account--State Appropriation:
31 For transfer to the Puget Sound Capital Construction
32 Account--State \$20,000,000

33 (5) Multimodal Transportation Account--State
34 Appropriation: For transfer to the Puget Sound
35 Ferry Operations Account--State ((~~\$39,000,000~~))

1		<u>\$66,000,000</u>
2	(6) Advanced Right-of-Way Revolving Account--State	
3	Appropriation: For transfer to the Motor Vehicle	
4	Account--State	\$30,000,000
5	(7) Waste Tire Removal Account--State Appropriation:	
6	For transfer to the Motor Vehicle Account--State	\$5,600,000
7	(8) Motor Vehicle Account--State Appropriation:	
8	((For transfer to the Transportation Partnership	
9	Account--State	\$25,000,000))
10	<u>For transfer to the Puget Sound Ferry Operations Account--</u>	
11	<u>State</u>	<u>\$3,000,000</u>
12	((+10)) (9) Multimodal Transportation Account--State	
13	Appropriation: For transfer to the Transportation	
14	Infrastructure Account--State	(\$7,000,000))
15		<u>\$6,600,000</u>
16	((+11)) (10) Highway Safety Account--State Appropriation:	
17	For transfer to the Multimodal Transportation	
18	Account--State	\$9,500,000
19	<u>(11) Urban Arterial Trust Account--State Appropriation:</u>	
20	<u>For transfer to the Small City Pavement and Sidewalk</u>	
21	<u>Account--State</u>	<u>\$1,400,000</u>
22	<u>(12) Multimodal Transportation Account--Federal</u>	
23	<u>Appropriation: For transfer to the Transportation</u>	
24	<u>Infrastructure Account--Federal</u>	<u>\$1,000,000</u>

25 The transfers identified in this section are subject to the
26 following conditions and limitations: ~~((+a))~~ The amount transferred
27 in subsection (3) of this section may be spent only on "highway
28 purposes" as that term is construed in Article II, section 40 of the
29 Washington state Constitution.
**Sec. 407 was partially vetoed. See message at end of chapter.*

30 **COMPENSATION**

31 **Sec. 501.** 2007 c 518 s 501 (uncodified) is amended to read as
32 follows:

33 **COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS.** The
34 appropriations for state agencies, are subject to the following
35 conditions and limitations:

1 (1)(a) The monthly employer funding rate for insurance benefit
2 premiums, public employees' benefits board administration, and the
3 uniform medical plan, shall not exceed \$707 per eligible employee for
4 fiscal year 2008. For fiscal year 2009 the monthly employer funding
5 rate shall not exceed ((~~\$732~~)) \$575 per eligible employee.

6 (b) In order to achieve the level of funding provided for health
7 benefits, the public employees' benefits board shall require any or all
8 of the following: Employee premium copayments, increases in
9 point-of-service cost sharing, the implementation of managed
10 competition, or make other changes to benefits consistent with RCW
11 41.05.065.

12 (c) The health care authority shall deposit any moneys received on
13 behalf of the uniform medical plan as a result of rebates on
14 prescription drugs, audits of hospitals, subrogation payments, or any
15 other moneys recovered as a result of prior uniform medical plan claims
16 payments, into the public employees' and retirees' insurance account to
17 be used for insurance benefits. Such receipts shall not be used for
18 administrative expenditures.

19 (2) The health care authority, subject to the approval of the
20 public employees' benefits board, shall provide subsidies for health
21 benefit premiums to eligible retired or disabled public employees and
22 school district employees who are eligible for medicare, pursuant to
23 RCW 41.05.085. From January 1, 2008, through December 31, 2008, the
24 subsidy shall be \$165.31. Starting January 1, 2009, the subsidy shall
25 be \$184.26 per month.

26 **Sec. 502.** 2007 c 518 s 502 (uncodified) is amended to read as
27 follows:

28 **COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE**
29 **BENEFITS.** The appropriations for state agencies, are subject to the
30 following conditions and limitations:

31 (1)(a) The monthly employer funding rate for insurance benefit
32 premiums, public employees' benefits board administration, and the
33 uniform medical plan, for represented employees outside the super
34 coalition under chapter 41.80 RCW, shall not exceed \$707 per eligible
35 employee for fiscal year 2008. For fiscal year 2009 the monthly
36 employer funding rate shall not exceed ((~~\$732~~)) \$575 per eligible
37 employee.

1 (b) In order to achieve the level of funding provided for health
2 benefits, the public employees' benefits board shall require any or all
3 of the following: Employee premium copayments, increases in
4 point-of-service cost sharing, the implementation of managed
5 competition, or make other changes to benefits consistent with RCW
6 41.05.065.

7 (c) The health care authority shall deposit any moneys received on
8 behalf of the uniform medical plan as a result of rebates on
9 prescription drugs, audits of hospitals, subrogation payments, or any
10 other moneys recovered as a result of prior uniform medical plan claims
11 payments, into the public employees' and retirees' insurance account to
12 be used for insurance benefits. Such receipts shall not be used for
13 administrative expenditures.

14 (2) The health care authority, subject to the approval of the
15 public employees' benefits board, shall provide subsidies for health
16 benefit premiums to eligible retired or disabled public employees and
17 school district employees who are eligible for medicare, pursuant to
18 RCW 41.05.085. From January 1, 2008, through December 31, 2008, the
19 subsidy shall be \$165.31. Starting January 1, 2009, the subsidy shall
20 be \$184.26 per month.

21 **Sec. 503.** 2007 c 518 s 503 (uncodified) is amended to read as
22 follows:

23 **COMPENSATION--REPRESENTED EMPLOYEES--SUPER COALITION.** Collective
24 bargaining agreements negotiated as part of the super coalition under
25 chapter 41.80 RCW include employer contributions to health insurance
26 premiums at 88% of the cost. Funding rates at this level are currently
27 \$707 per month for fiscal year 2008 and (~~(\$732)~~) \$575 per month for
28 fiscal year 2009. The agreements also include a one-time payment of
29 \$756 for each employee who is eligible for insurance for the month of
30 June, 2007, and is covered by a 2007-2009 collective bargaining
31 agreement pursuant to chapter 41.80 RCW, as well as continuation of the
32 salary increases that were negotiated for the twelve-month period
33 beginning July 1, 2006, and scheduled to terminate June 30, 2007.

34 **MISCELLANEOUS**

1 **Sec. 601.** RCW 46.68.110 and 2007 c 148 s 1 are each amended to
2 read as follows:

3 Funds credited to the incorporated cities and towns of the state as
4 set forth in RCW 46.68.090 shall be subject to deduction and
5 distribution as follows:

6 (1) One and one-half percent of such sums distributed under RCW
7 46.68.090 shall be deducted monthly as such sums are credited and set
8 aside for the use of the department of transportation for the
9 supervision of work and expenditures of such incorporated cities and
10 towns on the city and town streets thereof, including the supervision
11 and administration of federal-aid programs for which the department of
12 transportation has responsibility: PROVIDED, That any moneys so
13 retained and not expended shall be credited in the succeeding biennium
14 to the incorporated cities and towns in proportion to deductions herein
15 made;

16 (2) Thirty-three one-hundredths of one percent of such funds
17 distributed under RCW 46.68.090 shall be deducted monthly, as such
18 funds accrue, and set aside for the use of the department of
19 transportation for the purpose of funding the cities' share of the
20 costs of highway jurisdiction studies and other studies. Any funds so
21 retained and not expended shall be credited in the succeeding biennium
22 to the cities in proportion to the deductions made;

23 (3) One percent of such funds distributed under RCW 46.68.090 shall
24 be deducted monthly, as such funds accrue, to be deposited in the small
25 city pavement and sidewalk account, to implement the city hardship
26 assistance program, as provided in RCW 47.26.164. However, any moneys
27 so retained and not required to carry out the program under this
28 subsection as of July 1st of each odd-numbered year thereafter, shall
29 be retained in the account and used for maintenance, repair, and
30 resurfacing of city and town streets for cities and towns with a
31 population of less than five thousand.

32 (4) Except as provided in RCW 47.26.080, after making the
33 deductions under subsections (1) through (3) of this section and RCW
34 35.76.050, the balance remaining to the credit of incorporated cities
35 and towns shall be apportioned monthly as such funds accrue among the
36 several cities and towns within the state ratably on the basis of the
37 population last determined by the office of financial management.

1 ***NEW SECTION.** Sec. 602. A new section is added to 2007 c 518
2 (uncodified) to read as follows:

3 Our ability to maintain and preserve the state's investment in
4 transportation is acknowledged to be related to the replacement cost of
5 the system, yet the state has no estimates of the entire system's cost
6 or replacement value. A large portion of the state's highway system
7 was developed prior to June 30, 1980, so it is important that the
8 inventory and valuation include all of the state's highway system
9 including the parts of the system constructed prior to June 30, 1980,
10 that is not required by governmental accounting standards board's
11 statement number 34. Consequently, the department of transportation,
12 in conjunction with the office of financial management, must implement
13 the governmental accounting standards board's statement number 34,
14 including a complete inventory and valuation of the state's highway
15 system's cost basis and replacement cost. During 2008, the cochairs of
16 the joint transportation committee shall select legislators to work
17 with the office of financial management and the department of
18 transportation. The purpose of the effort is to enhance decision
19 making that will result in strategic long-term investment decisions in
20 transportation capital project management and appropriate levels of
21 asset maintenance and preservation. The office of financial management
22 will coordinate and manage the complete inventory and the valuation of
23 the total state's highway system. The office of financial management
24 must submit a final report to the legislative transportation committees
25 on or before December 1, 2009.

**Sec. 602 was vetoed. See message at end of chapter.*

26 **NEW SECTION.** Sec. 603. A new section is added to 2007 c 518
27 (uncodified) to read as follows:

28 In order to promote the receipt of federal enhancement funds, or
29 other applicable federal or state grant funds, the following portions
30 of highway are designated as part of the scenic and recreational
31 highway system: Beginning at the Anacortes ferry landing, the
32 Washington state ferries Anacortes/San Juan Islands route, which
33 includes stops at Lopez, Shaw, Orcas, and San Juan Islands; and the
34 roads on San Juan and Orcas Islands as described in San Juan Island
35 county council resolution no. 7, adopted February 5, 2008.

1	Puget Sound Capital Construction Account--State	
2	Appropriation	\$24,000
3	Transportation Partnership Account--State Appropriation	\$44,000
4	Highway Safety Account--State Appropriation	\$120,000
5	Motor Vehicle Account--State Appropriation	\$882,000
6	Puget Sound Ferry Operating Account--State Appropriation	\$294,000
7	Urban Arterial Trust Account--State Appropriation	\$2,000
8	Transportation Improvement Account--State Appropriation	\$2,000
9	Department of Licensing Services Account--State	
10	Appropriation	\$2,000
11	Multimodal Transportation Account--State Appropriation	\$12,000
12	Tacoma Narrows Bridge Toll Account--State Appropriation	\$10,000
13	Transportation 2003 Account (Nickel Account)--State	
14	Appropriation	\$120,000
15	TOTAL APPROPRIATION	\$1,852,000

16 The appropriations in this section fund various state
17 transportation agencies to support the state insurance accounting
18 system. From the applicable accounts, the office of financial
19 management shall reduce allotments to the respective agencies by an
20 amount that conforms with the insurance accounting system special
21 appropriations enacted in the 2008 supplemental omnibus appropriations
22 act, Engrossed Substitute House Bill No. 2687 (chapter . . . , Laws of
23 2008). The allotment reductions under this section shall be placed in
24 reserve status and remain unexpended.

25 NEW SECTION. **Sec. 606.** If any provision of this act or its
26 application to any person or circumstance is held invalid, the
27 remainder of the act or the application of the provision to other
28 persons or circumstances is not affected.

29 NEW SECTION. **Sec. 607.** This act is necessary for the immediate
30 preservation of the public peace, health, or safety, or support of the
31 state government and its existing public institutions, and takes effect
32 immediately.

(End of bill)

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Passed by the House March 12, 2008.

Passed by the Senate March 11, 2008.

Approved by the Governor March 25, 2008, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State March 25, 2008.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Sections 102(6), 206(6), 212(2), 224(12), 224(14), 306(16), 306(17), 407(12), and 602, Engrossed Substitute House Bill 2878 entitled:

"AN ACT Relating to transportation funding and appropriations."

Section 102(6), page 3, Office of Financial Management -- Development of Future Budget Proposals

I share the Legislature's expectation that the Office of Financial Management will work with the Legislature so that future budget proposals reflect criteria for performance excellence, include measures of earned value, and are aligned with the state's transportation goals. Even though I am vetoing Section 102(6), I direct the Office of Financial Management to continue its work with the Legislature and the state's transportation agencies to align budget proposals with the state's transportation goals and performance measure.

Section 206(6), page 10, Transportation Commission -- Cost Reductions for Toll Operations

I appreciate the need to carefully control the costs associated with tolling so we will have efficient and effective tolling operations. Accountability regarding the use of toll revenue is essential. This proviso requires the Transportation Commission -- not the Department of Transportation -- to develop benchmarks and recommendations to reduce and control tolling operation costs. The Transportation Commission's role is to establish toll rates while the Department of Transportation's role is to evaluate and direct operations.

Although I am vetoing Section 206(6), the Office of Financial Management will work with the Department of Transportation, the Transportation Commission and others to evaluate toll operating costs on the Tacoma Narrows Bridge and SR 167 in comparison to other tolled facilities across the country to develop toll operating cost benchmarks. In addition, tolling operations issues will be examined in future Government Management Accountability & Performance sessions.

Section 212(2), page 18, Washington State Department of Transportation -- Cost Reductions for Toll Operations

The proviso requires the Department of Transportation to develop incentives to reduce and control tolling operations costs, and to provide a report to the Transportation Commission. As a cabinet agency, the department is accountable to the Governor and it is not the role of the Transportation Commission to evaluate and direct the department's operations.

Although I am vetoing Section 212(2), the Department of Transportation will provide a report on incentives to reduce toll operating costs to the Office of Financial Management and the Legislature by December 1, 2008.

Section 224(12), pages 38-39, Washington State Department of Transportation -- Ferries -- Pilot Car Sharing Program in San Juan Islands

The proviso states that Washington State Ferries may investigate implementation of a car-sharing program in the San Juan Islands but also provides that Washington State Ferries shall submit a report to the Legislature by November 15, 2008. Because no funding is provided for the research and report, I am vetoing Section 224(12) but want the Department of Transportation's Commute Trip Reduction program to examine how a car-sharing program could work in the San Juan Islands.

Section 224(14), page 39, Washington State Department of Transportation -- Ferries -- Summer Schedule on Port Townsend/Keystone Route

The proviso includes an appropriation of \$357,000 for two additional sailings per day on the Port Townsend/Keystone route from May 19, 2008 to September 8, 2008. Unfortunately, these dates do not correspond with the already established summer sailing schedule for the Washington State Ferries that runs from June 15 to September 20. As a result, this will add operating costs beyond the \$357,000 that is appropriated.

Although I am vetoing Section 224(14), the Department of Transportation and the Office of Financial Management will work with House and Senate Transportation Committee chairs to find options that fit within the amount of money provided and that also can meet the intent of the Legislature to provide additional service during the summer on this route.

Section 306(16), page 50, Transportation Account 2003 bond proceed appropriation

The proviso includes appropriation authority to spend up to \$825,000,000 in proceeds from the sale of 2003 nickel account bonds. Due to a technical error, this amount excluded the extra money the state gets from bond premiums which can limit the funds available to support important projects already underway. Therefore, I am vetoing this section so that the ending fund balance in the nickel account will not be adversely affected.

Section 306(17), page 50, Transportation Partnership Account 2003 bond proceed appropriation

Similar to section 306(16), this proviso includes appropriation authority to spend up to \$740,000,000 in proceeds from the sale of transportation partnership account bonds but this amount also excluded the bond premiums. Because this can adversely impact the ending fund balance in the transportation partnership account, I am vetoing this section.

Section 407(12), page 72, Administrative Transfer of Federal Funds

An administrative transfer of \$1 million in federal funds is made from the multimodal account-federal to the transportation infrastructure account-federal. The State Treasurer does not transfer federal funds within the Department of Transportation programs. Transfers of this sort are done internally at the Department of Transportation, so I am vetoing this section.

Section 602, page 76, Government Accounting Standards Board Asset Valuation

The Department of Transportation is already in full compliance with Government Accounting Standards Board (GASB) Statement 34 as it pertains to asset valuation of the state's highway systems, including the maintenance of an infrastructure asset inventory and regular assessments of the condition of assets. This critical information is already used to support strategic long-term investment decision-making in transportation capital project management and to set appropriate levels of asset maintenance and preservation.

Section 602 requires the Department to exceed the requirements of GASB 34 but does not provide additional funding. I vetoed similar language in 2005 and in 2007, and am vetoing this section.

For these reasons, I have vetoed Sections 102(6), 206(6), 212(2), 224(12), 224(14), 306(16), 306(17), 407(12), and 602 of Engrossed Substitute House Bill 2878.

With the exception of Sections 102(6), 206(6), 212(2), 224(12), 224(14), 306(16), 306(17), 407(12) and 602, Engrossed Substitute House Bill 2878 is approved."