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**ENGROSSED SUBSTITUTE SENATE BILL 6106**

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**State of Washington 65th Legislature 2018 Regular Session**

**By** Senate Transportation (originally sponsored by Senator Hobbs; by request of Office of Financial Management)

AN ACT Relating to transportation funding and appropriations; amending 2017 c 313 ss 101, 103, 105, 106, 102, 108, 202-223, 301-312, 401-404, 406-408, 601, and 606 (uncodified); amending 2017 3rd sp.s. c 1 ss 995, 726-733, 735, and 736 (uncodified); adding new sections to 2017 c 313 (uncodified); repealing 2017 c 288 s 5 (uncodified); making appropriations and authorizing expenditures for capital improvements; and declaring an emergency.

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

**2017-2019 FISCAL BIENNIUM**

**GENERAL GOVERNMENT AGENCIES—OPERATING**

**Sec.**  2017 c 313 s 101 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

Motor Vehicle Account—State Appropriation ((~~$496,000~~))

 $513,000

**Sec.**  2017 c 313 s 103 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT**

Motor Vehicle Account—State Appropriation ((~~$1,580,000~~))

 $2,612,000

Puget Sound Ferry Operations Account—State Appropriation $116,000

TOTAL APPROPRIATION ~~$1,696,000~~

 $2,737,000

The appropriations in this section are subject to the following conditions and limitations: ((~~$300,000~~)) $1,000,000 of the motor vehicle account—state appropriation is provided solely for the office of financial management to work with the department of transportation on integrating the transportation reporting and accounting information system or its successor system with the One Washington project. The office of financial management and the department of transportation must provide a joint status report to the transportation committees of the legislature on at least a calendar quarter basis. The report must include, but is not limited to: The status of the department's ability to integrate the transportation reporting and accounting information system or its successor system with the One Washington project; the status of the One Washington project; and a description of significant changes to planned timelines or deliverables.

**Sec.**  2017 c 313 s 105 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF AGRICULTURE**

Motor Vehicle Account—State Appropriation ((~~$1,254,000~~))

 $1,306,000

The appropriation in this section is subject to the following conditions and limitations: Within the amount provided in this section, the department shall conduct a pilot program to consist of the following activities:

(1) The department shall produce a fuel tax sticker for display on each motor fuel pump from which fuel is sold at retail that displays and provides notice of the federal and state fuel tax rates. The sticker must display the rate of each tax, in cents per gallon, for each type of fuel.

(2) The department shall provide notice of federal and state fuel tax rates, in the form of a fuel tax sticker, with any other notice displayed or required by department rule to be displayed on motor fuel pumps.

(3) The department shall distribute fuel tax stickers to all individuals who conduct fuel pump inspections, including department employees and local government employees. Government employees who conduct fuel pump inspections shall display a fuel tax sticker on each motor fuel pump or shall verify that such a sticker is being displayed at the time of inspection as required under this subsection. Fuel tax stickers must:

(a) Be displayed on each face of the motor fuel pump on which the price of the fuel sold from the pump is displayed; and

(b) Be displayed in a clear, conspicuous, and prominent manner.

(4) The department shall provide fuel tax stickers by mail to fuel pump owners who request them for the face of each motor fuel pump for which a sticker is requested.

(5) The department shall produce updated fuel tax stickers on an annual basis when one or more fuel tax rates have changed. Fuel tax stickers must be replaced at the time of motor fuel pump inspection if the sticker has been updated with any new fuel tax rates.

**Sec.**  2017 c 313 s 106 (uncodified) is amended to read as follows:

**FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**

Motor Vehicle Account—State Appropriation ((~~$597,000~~))

 $613,000

NEW SECTION. **Sec.**  A new section is added to 2017 c 313 (uncodified) to read as follows:**FOR THE HOUSE OF REPRESENTATIVES**

Motor Vehicle Account—State Appropriation $2,126,000

NEW SECTION. **Sec.**  A new section is added to 2017 c 313 (uncodified) to read as follows:**FOR THE SENATE**

Motor Vehicle Account—State Appropriation $2,029,000

**Sec.**  2017 c 313 s 102 (uncodified) is amended to read as follows:

**FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

Grade Crossing Protective Account—State Appropriation $1,604,000

Multimodal Transportation Account—State Appropriation $50,000

TOTAL APPROPRIATION $1,654,000

The appropriations in this section are subject to the following conditions and limitations: $50,000 of the multimodal transportation account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 6519), Laws of 2018 (marine pilotage tariffs). If chapter . . . (Substitute Senate Bill No. 6519), Laws of 2018 is not enacted by June 30, 2018, the amount lapses.

**Sec.**  2017 c 313 s 108 (uncodified) is amended to read as follows:

**FOR THE BOARD OF PILOTAGE COMMISSIONERS**

Multimodal Transportation Account—State Appropriation $1,100,000

The appropriation in this section is subject to the following conditions and limitations: $1,100,000 of the multimodal transportation account—state appropriation is provided solely for self-insurance liability premium expenditures; however, this appropriation is contingent upon the board:

(1) Annually depositing the first one hundred fifty thousand dollars collected through Puget Sound pilotage district pilotage tariffs into the pilotage account ((~~solely for the expenditure of self-insurance premiums~~));

(2) Maintaining the Puget Sound pilotage district pilotage tariff at the rate in existence on January 1, 2017; and

(3) Assessing a self-insurance premium surcharge of sixteen dollars per pilotage assignment on vessels requiring pilotage in the Puget Sound pilotage district.

**TRANSPORTATION AGENCIES—OPERATING**

**Sec.**  2017 3rd sp.s. c 1 s 995 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION**

Highway Safety Account—State Appropriation ((~~$4,266,000~~))

 $4,329,000

Highway Safety Account—Federal Appropriation ((~~$22,048,000~~))

 $22,210,000

Highway Safety Account—Private/Local Appropriation $118,000

School Zone Safety Account—State Appropriation $850,000

TOTAL APPROPRIATION ~~$27,282,000~~

 $27,507,000

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

(1) $100,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 324, Laws of 2017 (Substitute Senate Bill No. 5402) (bicyclist safety advisory council).

(2) $1,000,000 of the highway safety account—state appropriation is provided solely for the implementation of section 13(4), chapter 336, Laws of 2017 (Engrossed Second Substitute House Bill No. 1614) (impaired driving). The funding is provided for grants to organizations that seek to reduce driving under the influence of drugs and alcohol and for administering the program. $108,806 of the amount provided in this subsection is for the commission to cover the costs associated with administering the grant program. The funding provided in this subsection is contingent on the availability of funds raised by the fee, described in section 13(4), chapter 336, Laws of 2017 (Engrossed Second Substitute House Bill No. 1614) (impaired driving), sufficient to cover the costs of administering the program.

**Sec.**  2017 c 313 s 202 (uncodified) is amended to read as follows:

**FOR THE COUNTY ROAD ADMINISTRATION BOARD**

Rural Arterial Trust Account—State Appropriation ((~~$1,022,000~~))

 $1,058,000

Motor Vehicle Account—State Appropriation ((~~$2,504,000~~))

 $2,723,000

County Arterial Preservation Account—State

Appropriation ((~~$1,541,000~~))

 $1,594,000

TOTAL APPROPRIATION ~~$5,067,000~~

 $5,375,000

**Sec.**  2017 c 313 s 203 (uncodified) is amended to read as follows:

**FOR THE TRANSPORTATION IMPROVEMENT BOARD**

Transportation Improvement Account—State

Appropriation ((~~$4,089,000~~))

 $4,320,000

**Sec.**  2017 c 313 s 204 (uncodified) is amended to read as follows:

**FOR THE JOINT TRANSPORTATION COMMITTEE**

Motor Vehicle Account—State Appropriation ((~~$1,589,000~~))

 $1,972,000

Multimodal Transportation Account—State

Appropriation ((~~$700,000~~))

 $1,262,000

TOTAL APPROPRIATION ~~$2,289,000~~

 $3,234,000

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

(1)(a) $200,000 of the multimodal transportation account—state appropriation is for a consultant study of marine pilotage in Washington state, with a goal of recommending best practices for: An analytically-driven pilotage tariff and fee setting process; determination of the total number of pilots and pilot workload; pilot recruitment, training, review, and selection, with a focus on increasing pilot diversity; and selection of governance structures for the oversight and management of pilotage activities. The study must include the following:

(i)(A) An examination of current practices of the board of pilotage related to: Pilotage tariff and fee setting, including a review of the development and composition of fees, their relationship to tariffs and pilotage district expenditures, and an analysis of pilot benefits; the setting of the total number of pilots and pilot workload distribution; pilot candidate recruitment and training; pilot review and selection processes; and reporting to comply with statutory requirements;

(B) An examination of the current oversight, administrative practices, and governance of the board of pilotage commissioners and the two pilotage districts, including board composition analysis, the possible role of the legislative appropriations process, and options for insurance liability coverage for the board of pilotage commissioners;

(ii) A comparison of current practices identified under this subsection (1)(a) to best practices in marine pilotage elsewhere in the United States, including both state licensed pilotage and federal pilotage systems with independent contractor, public employee, or private employee pilots; and a comparison to marine pilotage activities outside of the United States, to the extent these marine pilotage activities can inform the evaluation process and identify additional best practices that could be implemented in Washington state;

(iii) A comparison of the results of the examination of current practices to best practices in the United States in areas other than marine pilotage for which similar activities are conducted;

(iv) An evaluation of the extent to which the best practices examined can be implemented and would be effective in Washington state; and

(v) A recommendation for the best practices that should be adopted by Washington state for each of the areas examined.

(b) The joint transportation committee must issue a report of its findings and recommendations to the house of representatives and senate transportation committees by January 8, 2018.

(2) $160,000 of the motor vehicle account—state appropriation is for the joint transportation committee to contract with the University of Minnesota to independently analyze and assess traffic data for the express toll lanes and general purpose lanes of the Interstate 405 tolled corridor, including in terms of the performance measures described in RCW 47.56.880, and to develop and recommend near-term and longer-term strategies for the improvement of traffic performance in this corridor. A report summarizing the results of the traffic data assessment and providing recommended strategies is due to the transportation committees of the legislature by January 8, 2018.

(3)(a) $500,000 of the multimodal transportation account—state appropriation is for a consultant study of air cargo movement at Washington airports. The study must:

(i) Describe the state's air cargo system, and identify the facilities that comprise the system;

(ii) Evaluate the current and projected future capacity of the air cargo system;

(iii) Identify underutilized capacity;

(iv) Identify and describe what market forces may determine demand for cargo service at different facilities and what role the shippers and cargo service providers play in determining how cargo is moved in the state;

(v) Develop a definition of congestion in the state's air cargo system, including metrics by which to measure congestion and the cost of congestion to shippers; and

(vi) Evaluate what would be needed to more effectively use existing capacity at airports across the state. As part of this evaluation, the study must:

(A) Evaluate air, land, and surface transportation constraints, including intermodal constraints, to accommodate current demand and future growth;

(B) Evaluate impediments to addressing those constraints;

(C) Evaluate options to address those constraints; and

(D) Evaluate the impacts to air cargo-related industries that would result from shifting cargo service to Washington airports that currently have available capacity.

(b) The study must also identify the state's interest in reducing air cargo congestion and evaluate ways to address this interest on a statewide basis.

(c) The study must provide recommendations regarding:

(i) Options to reduce air cargo congestion and more efficiently use available capacity at Washington airports;

(ii) Options to address the state's interest in reducing air cargo congestion on a statewide basis;

(iii) Strategies to accomplish the recommendations under this subsection (3)(c); and

(iv) Statutory changes needed to implement the recommendations under this subsection (3)(c).

(d) The department of transportation shall provide technical support for the study, including providing guidance regarding information that may already be available due to the department's ongoing work on the Washington aviation system plan.

(e) The joint transportation committee shall issue a report of its findings and recommendations to the house of representatives and senate transportation committees by December 14, 2018.

(4) $100,000 of the motor vehicle account—state appropriation is for the joint transportation committee to conduct an assessment of the current roles and responsibilities of the transportation commission. The purpose of the assessment is to review the current membership, functions, powers, and duties of the transportation commission beyond those granted to the transportation commission as the tolling authority under RCW 47.56.850, for the adoption of ferry fares and pricing policies under RCW 47.60.315, or for work related to the road usage charge pilot project as directed by the legislature. When conducting the assessment, the joint transportation committee must consult with the transportation commission and the office of financial management.

(a) The assessment must consist of a review of the following:

(i) The primary enabling statutes of the transportation commission contained in RCW 47.01.051 through 47.01.075;

(ii) The transportation commission's functions relating to ferries under chapters 47.60 and 47.64 RCW beyond those granted by the legislature for adoption of fares and pricing policies;

(iii) The existing budget of the transportation commission to ensure it is appropriate for the roles and responsibilities it is directed to do by the governor and the legislature;

(iv) The transportation commission's current roles and responsibilities relating to transportation planning, transportation policy development, and other functions; and

(v) Other issues related to the transportation commission as determined by the joint transportation committee.

(b) A report of the assessment findings and recommendations is due to the transportation committees of the legislature by December 31, 2017.

(5)(a) $360,000 of the motor vehicle account—state appropriation, from the cities' statewide fuel tax distributions under RCW 46.68.110(2), is for the joint transportation committee to conduct a study to assess the current state of city transportation funding, identify emerging issues, and recommend funding sources to meet current and future needs. As part of the study, the joint transportation committee shall:

(i) Identify current city transportation funding responsibilities, sources, and gaps;

(ii) Identify emerging issues that may add additional strain on city costs and funding capacity;

(iii) Identify future city funding needs;

(iv) Evaluate alternative sources of funding; and

(v) Recommend sources of funding to address those needs and gaps.

(b) In considering alternative sources of funding, the study shall evaluate sources available outside of the state of Washington that currently are not available in Washington.

(c) In conducting the study, the joint transportation committee must consult with:

(i) City representatives;

(ii) A representative from the department of transportation local programs division;

(iii) A representative from the transportation improvement board;

(iv) A representative from the department of transportation/metropolitan planning organization/regional transportation planning organization coordinating committee; and

(v) Others as appropriate.

(d) The association of Washington cities and the department of transportation shall provide technical support for the study.

(e) The joint transportation committee must issue a report of its findings and recommendations to the transportation committees of the legislature by June 30, 2019.

(6) $255,000 of the multimodal transportation account—state appropriation is for the joint transportation committee to conduct a study regarding the regulation of transportation network companies within the state of Washington. In conducting the study, the joint transportation committee must consult with relevant representatives of the department of licensing, the utilities and transportation commission, the Washington state patrol, local governments involved in the regulation of transportation network companies, entities providing transportation network services, and other relevant stakeholders. The study must include a review of the regulatory framework used by local jurisdictions within Washington state and in other states, an evaluation of the most effective public safety aspects of a regulatory framework, including among other aspects, the type of required background checks, and an assessment of the most effective and efficient state and local regulatory structure for regulation of transportation network companies. The joint transportation committee must issue a report of its findings and recommendations to the house and senate transportation committees by January 14, 2019.

(7) $307,000 of the multimodal transportation account—state appropriation is for the joint transportation committee to conduct a study regarding the regulation of taxi and for hire services, transportation network companies, and for hire services regulated by port districts. The study must compare state and local regulations in the state of Washington that govern these private passenger transportation services and may include recommendations for improving the consistency or overall effectiveness and competitive fairness of the current regulatory frameworks. In conducting the study, the joint transportation committee shall consult with the department of licensing, the utilities and transportation commission, the Washington state patrol, appropriate local entities engaged in the regulation of commercial passenger transportation services, and other relevant stakeholders. The joint transportation committee must issue a report of its findings and recommendations to the house and senate transportation committees by January 14, 2019.

**Sec.**  2017 c 313 s 205 (uncodified) is amended to read as follows:

**FOR THE TRANSPORTATION COMMISSION**

Motor Vehicle Account—State Appropriation ((~~$2,074,000~~))

 $2,145,000

Multimodal Transportation Account—State Appropriation $462,000

TOTAL APPROPRIATION ~~$2,536,000~~

 $2,607,000

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

(1)(a) The commission shall coordinate with the department of transportation to jointly pursue any federal or other funds that are or might become available to fund a road usage charge pilot project. Where feasible, grant application content prepared by the commission must reflect the direction provided by the road usage charge steering committee on the preferred road usage charge pilot project approach. One or more grant applications may be developed as part of the road usage charge pilot project implementation plan development work, but the pilot project implementation plan must nevertheless include any details necessary for a full launch of the pilot project not required to be included in any grant application.

(b) The commission shall reconvene the road usage charge steering committee, with the same membership authorized in chapter 222, Laws of 2014, as well as the addition of a representative from the Puget Sound regional council, and, upon finalization of the federal grant award for stage 1 of the road usage charge pilot project, shall report at least once every three months to the steering committee with updates on project progress, key project milestones, and developments related to securing additional federal funding for future road usage charge pilot work. Each report must include a phone or in-person meeting with the steering committee, with a maximum of two in-person meetings to be held in 2017. A year-end report on the status of the project must be provided to the governor's office and the transportation committees of the house of representatives and the senate by December 1, 2017. If the year-end report is not the final report for stage 1 of the pilot project, a final report that includes an evaluation of stage 1 of the pilot project must be provided to the governor's office and the transportation committees of the house of representatives and the senate following completion of stage 1 of the pilot project. Any legislative vacancies on the steering committee must be appointed by the speaker of the house of representatives for a house of representatives member vacancy, and by the ((~~majority leader and minority leader~~)) president of the senate for a senate member vacancy.

(2) The legislature finds that there is a need for long-term toll payer relief from increasing toll rates on the Tacoma Narrows bridge. Therefore, the commission must convene a work group to review, update, add to as necessary, and comment on various scenarios for toll payer relief outlined in the 2014 joint transportation committee report on internal refinance opportunities for the Tacoma Narrows bridge. The work group must include participation from the Tacoma Narrows bridge citizen's advisory group, at least one member from each of the legislative delegations from the districts immediately abutting the Tacoma Narrows bridge, the local chambers of commerce, and affected local communities. Legislative members of the work group must be reimbursed for travel expenses by the commission. The work group must submit a report with its preferred and prioritized policy solutions to the transportation committees of the legislature by December 1, 2017.

**Sec.**  2017 c 313 s 206 (uncodified) is amended to read as follows:

**FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

Motor Vehicle Account—State Appropriation ((~~$818,000~~))

 $836,000

The appropriation in this section is subject to the following conditions and limitations: $60,000 of the motor vehicle account—state appropriation is provided solely for the board, from amounts set aside out of statewide fuel taxes distributed to cities according to RCW 46.68.110(2), to manage and update the road-rail conflicts database produced as a result of the joint transportation committee's "Study of Road-rail Conflicts in Cities (2016)." The board shall update the database using data from the most recent versions of the Washington state freight and goods transportation system update, marine cargo forecast, and other relevant sources. The database must continue to identify prominent road-rail conflicts that will help to inform strategic state investment for freight mobility statewide. The board shall form a committee including, but not limited to, representatives from local governments, the department of transportation, the utilities and transportation commission, and relevant stakeholders to identify and recommend a statewide list of projects using a corridor-based approach. The board shall provide the list to the transportation committees of the legislature and the office of financial management by September 1, 2018.

**Sec.**  2017 c 313 s 207 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE PATROL**

State Patrol Highway Account—State Appropriation ((~~$480,926,000~~))

 $490,844,000

State Patrol Highway Account—Federal Appropriation ((~~$14,025,000~~))

 $14,592,000

State Patrol Highway Account—Private/Local

Appropriation ((~~$3,863,000~~))

 $4,016,000

Highway Safety Account—State Appropriation ((~~$1,067,000~~))

 $1,077,000

Ignition Interlock Device Revolving Account—State

Appropriation $510,000

Multimodal Transportation Account—State Appropriation $276,000

TOTAL APPROPRIATION ~~$500,667,000~~

 $511,315,000

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

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

(2) $510,000 of the ignition interlock device revolving account—state appropriation is provided solely for the ignition interlock program at the Washington state patrol to provide funding for two staff to work and provide support for the program in working with manufacturers, service centers, technicians, and participants in the program.

(3) $1,000,000 of the state patrol highway account—state appropriation is provided solely for ongoing support, system updates, maintenance, and an independent assessment of the P25 digital land mobile radio system. Of the amount provided in this subsection, $400,000 must be used for the independent assessment of the P25 digital land mobile radio system. The independent assessment must identify implementation issues and coverage gaps and recommend strategies to address these issues and gaps. The assessment must be submitted to the governor and the transportation committees of the legislature by September 1, 2018. To the extent practicable, the Washington state patrol shall begin implementing recommendations before the completion of the independent assessment.

(4) The Washington state patrol and the department of transportation shall jointly submit a prioritized list of weigh station projects to the office of financial management by October 1, 2017. Projects submitted must include estimated costs for preliminary engineering, rights-of-way, and construction and must also consider the timing of any available funding for weigh station projects.

(5) The Washington state patrol and the office of financial management must be consulted by the department of transportation during the design phase of any improvement or preservation project that could impact Washington state patrol weigh station operations. During the design phase of any such project, the department of transportation must estimate the cost of designing around the affected weigh station's current operations, as well as the cost of moving the affected weigh station.

(6) $510,000 of the state patrol highway account—state appropriation is provided solely for the operation of the license investigation unit to enforce vehicle registration laws in southwestern Washington. The Washington state patrol, in consultation with the department of revenue, shall maintain a running estimate of sales and use taxes remitted to the state pursuant to activity conducted by the license investigation unit. At the end of the calendar quarter in which it is estimated that more than $625,000 in taxes have been remitted to the state since the effective date of this section, the Washington state patrol shall notify the state treasurer and the state treasurer shall transfer funds pursuant to section ((~~408(25)~~)) 406(24) of this act.

(7) $600,000 of the state patrol highway account—state appropriation is provided solely for the implementation of chapter ((~~. . . (Senate Bill No. 5274)~~)) 181, Laws of 2017 (WSPRS salary definition). ((~~If chapter . . . (Senate Bill No. 5274), Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses.~~))

**Sec.**  2017 c 313 s 208 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING**

Marine Fuel Tax Refund Account—State Appropriation $34,000

Motorcycle Safety Education Account—State

Appropriation ((~~$4,523,000~~))

 $4,608,000

State Wildlife Account—State Appropriation ((~~$1,030,000~~))

 $891,000

Highway Safety Account—State Appropriation ((~~$202,973,000~~))

 $254,279,000

Highway Safety Account—Federal Appropriation $3,215,000

Motor Vehicle Account—State Appropriation ((~~$90,659,000~~))

 $83,948,000

Motor Vehicle Account—Federal Appropriation $329,000

Motor Vehicle Account—Private/Local Appropriation ((~~$2,048,000~~))

 $4,909,000

Ignition Interlock Device Revolving Account—State

Appropriation ((~~$5,250,000~~))

 $5,262,000

Department of Licensing Services Account—State

Appropriation ((~~$6,611,000~~))

 $6,900,000

License Plate Technology Account—State

Appropriation $3,000,000

Abandoned Recreational Vehicle Disposal Account—State

Appropriation $172,000

Driver Licensing Technology Support Account—State

Appropriation $150,000

TOTAL APPROPRIATION ~~$319,672,000~~

 $367,697,000

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

(1) $205,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed House Bill No. 2201), Laws of 2017 (MVET collection). If chapter . . . (Engrossed House Bill No. 2201), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.

(2) $20,810,000 of the highway safety account—state appropriation and $3,000,000 of the license plate technology account—state appropriation are provided solely for business and technology modernization. The department and the state chief information officer or his or her designee must provide a joint project status report to the transportation committees of the legislature on at least a calendar quarter basis. The report must include, but is not limited to: Detailed information about the planned and actual scope, schedule, and budget; status of key vendor and other project deliverables; and a description of significant changes to planned deliverables or system functions over the life of the project. Project staff will periodically brief the committees or the committees' staff on system security and data protection measures.

(3) The department when modernizing its computer systems must place personal and company data elements in separate data fields to allow the department to select discrete data elements when providing information or data to persons or entities outside the department. This requirement must be included as part of the systems design in the department's business and technology modernization. Pursuant to the restrictions in federal and state law, a person's photo, social security number, or medical information must not be made available through public disclosure or data being provided under RCW 46.12.630 or 46.12.635.

(4) ((~~$4,471,000 of the highway safety account—state appropriation is provided solely for costs necessary to accommodate increased demand for enhanced drivers' licenses and enhanced identicards. The office of financial management shall place the entire amount provided in this subsection in unallotted status. The office of financial management may release portions of the funds when it determines that average wait times have increased by more than two minutes based on wait time and volume data provided by the department compared to average wait times and volume during the month of December 2016. The department and the office of financial management shall evaluate the use of these funds on a monthly basis and periodically report to the transportation committees of the legislature on average wait times and volume data for enhanced drivers' licenses and enhanced identicards.~~

~~(5)~~)) The department shall continue to encourage the use of online vehicle registration renewal reminders and minimize the number of letters mailed by the department. To further this goal, the department shall develop a pilot program to replace first-class mail, letter-form renewal reminders with postcard renewal reminders. The goal of the pilot program is to realize substantial savings on printing and postage costs. The pilot program must include customers who performed their last renewal online and still receive a paper renewal notice. The appropriations in this section reflect savings in postage and printing costs of at least $250,000 in the 2017-2019 fiscal biennium.

((~~(6)~~)) (5) $350,000 of the highway safety account—state appropriation is provided solely for communication and outreach activities necessary to inform the public of federally acceptable identification options including, but not limited to, enhanced drivers' licenses and enhanced identicards. The department shall develop and implement an outreach plan that includes informational material that can be effectively communicated to all communities and populations in Washington.

((~~(7)~~)) (6) $19,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ((~~. . . (Substitute Senate Bill No. 5289)~~)) 334, Laws of 2017 (distracted driving). ((~~If chapter . . . (Substitute Senate Bill No. 5289), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.~~

~~(8)~~)) (7) $57,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter ((~~. . . (House Bill No. 1400)~~)) 11, Laws of 2017 (aviation license plate). ((~~If chapter . . . (House Bill No. 1400), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.~~

~~(9)~~)) (8) $572,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ((~~. . . (Engrossed Substitute House Bill No. 1481)~~)) 197, Laws of 2017 (driver education uniformity). ((~~If chapter . . . (Engrossed Substitute House Bill No. 1481), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.~~

~~(10)~~)) (9) $39,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter ((~~. . . (Substitute House Bill No. 1568)~~)) 25, Laws of 2017 (Fred Hutch license plate). ((~~If chapter . . . (Substitute House Bill No. 1568), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.~~

~~(11)~~)) (10) $104,000 of the ignition interlock device revolving account—state appropriation is provided solely for the implementation of chapter ((~~. . . (Engrossed Second Substitute House Bill No. 1614)~~)) 336, Laws of 2017 (impaired driving). ((~~If chapter . . . (Engrossed Second Substitute House Bill No. 1614), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.~~

~~(12)~~)) (11) $500,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ((~~. . . (Engrossed Substitute House Bill No. 1808)~~)) 206, Laws of 2017 (foster youth/driving). ((~~If chapter . . . (Engrossed Substitute House Bill No. 1808), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.~~

~~(13)~~)) (12) $61,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ((~~. . . (Engrossed Senate Bill No. 5008)~~)) 310, Laws of 2017 (REAL ID compliance). ((~~If chapter . . . (Engrossed Senate Bill No. 5008), Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses.~~

~~(14)~~)) (13)(a) Within existing funds, the department, in consultation with the department of ecology, shall convene a work group comprised of registered tow truck operators, hulk haulers, representatives from county solid waste facilities, and the recycling community to develop a sustainable plan for the collection and disposal of abandoned recreational vehicles.

(b) The work group shall report on the current problems relating to abandoned recreational vehicles and develop policy options for procedures relating to the transportation, recycling, and disposal of abandoned recreational vehicles, as well as other potentially related issues. As a result of its discussions, the work group shall also produce draft legislation. The final report and draft legislation are due to the standing transportation committees of the legislature on December 1, 2017.

((~~(15)~~)) (14) $30,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ((~~. . . (Senate Bill No. 5382)~~)) 122, Laws of 2017 (reduced-cost identicards). ((~~If chapter . . . (Senate Bill No. 5382), Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses.~~

~~(16)~~)) (15) $112,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter ((~~. . . (Engrossed Substitute Senate Bill No. 5338)~~)) 218, Laws of 2017 (registration enforcement). ((~~If chapter . . . (Engrossed Substitute Senate Bill No. 5338), Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses.~~

~~(17)~~)) (16) $30,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ((~~. . . (Substitute Senate Bill No. 5343)~~)) 43, Laws of 2017 (tow truck notices). ((~~If chapter . . . (Substitute Senate Bill No. 5343), Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses.~~))

(17) $23,025,000 of the highway safety account—state appropriation is provided solely for costs necessary to accommodate increased demand for enhanced drivers' licenses and enhanced identicards. The department shall report on a quarterly basis on the use of these funds, associated workload, and information with comparative information with recent comparable months in prior years. The report must include: Both the detailed statewide and by licensing service office, information on staffing levels, average monthly wait times, the number of enhanced drivers' licenses and enhanced identicards issued/renewed, and the number of primary drivers' licenses and identicards issued/renewed.

(18) $5,000,000 of the highway safety account—state appropriation is provided solely for costs necessary to accommodate increased demand for enhanced drivers' licenses and enhanced identicards. The office of financial management shall place the entire amount provided in this subsection in unallotted status. The office of financial management may release portions of the funds when it determines that average wait times have increased or is very likely to increase by more than two minutes based on wait time and volume data provided by the department compared to average wait times and volume during comparable months in prior years. The department and the office of financial management shall evaluate the use of these funds on a monthly basis and provide a quarterly report to the transportation committees of the legislature.

(19) $45,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5110), Laws of 2018 (enhancing youth voter registration). If chapter . . . (Substitute Senate Bill No. 5110), Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

(20) $23,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5746), Laws of 2018 (concerning the Association of Washington Generals). If chapter . . . (Substitute Senate Bill No. 5746), Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

(21) $27,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 6009), Laws of 2018 (issuance of personalized collector vehicle license plates). If chapter . . . (Substitute Senate Bill No. 6009), Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

(22) $25,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 6107), Laws of 2018 (electric motorcycle registration renewal fees). If chapter . . . (Substitute Senate Bill No. 6107), Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

(23) $17,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 6155), Laws of 2018 (bone marrow donation information). If chapter . . . (Substitute Senate Bill No. 6155), Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

(24) $70,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Third Substitute Senate Bill No. 6353), Laws of 2018 (procedures in order to automatically register citizens to vote). If chapter . . . (Engrossed Third Substitute Senate Bill No. 6353), Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

(25) $172,000 of the abandoned recreational vehicle disposal account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 6437), Laws of 2018 (disposal of recreational vehicles abandoned on public property). If chapter . . . (Substitute Senate Bill No. 6437), Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

(26) $13,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 6438), Laws of 2018 (clarifying the collection process for existing vehicle service transactions). If chapter . . . (Substitute Senate Bill No. 6438), Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

(27) The total appropriations in this section reflect the cost savings to the department resulting from the enactment of Substitute Senate Bill No. 5955 (motor vehicle excise tax credit program).

(28) The department shall within the department's appropriations, in consultation with the county auditors, convene a work group to evaluate options and potential methods for improving the operations and relationship between the department and its licensing partners. The work group shall meet a minimum of two times between April and December 2018. The report may include recommendations on ways to improve the state licensing functions and business operations of the state, county auditors, and subagents. The work group shall produce a final report and make recommendations to the standing transportation committees of the legislature by January 1, 2019.

(29) The department shall within the department's appropriations, conduct a study to evaluate options and potential methods for allowing digital license plates. The report must include information on the durability and legibility of digital license plates in different weather conditions, costs, data security, tolling and vehicle fees, protection of personal and vehicle information, and other implementation issues. This report must include an evaluation of how the digital license plates can contain tamper-resistant and antitheft features, but can continue to display the unique license plate number assigned to the vehicle during any time the vehicle is traveling on public roadways. The department shall consult with the Washington state patrol, the department of transportation, and other appropriate entities in conducting the study. The department of licensing shall present a report to the standing transportation committees of the legislature by January 1, 2019.

(30) $200,000 of the highway safety account—state appropriation is provided solely for the department to implement employee training and other activities related to improving the protection of private information and increasing racial and cultural awareness by employees in administering licensing responsibilities.

(31) $150,000 of the driver licensing technology support account—state appropriation is provided solely for the implementation of chapter . . . (Second Substitute Senate Bill No. 6189), Laws of 2018 (suspended or revoked driver's license provisions). If chapter . . . (Second Substitute Senate Bill No. 6189), Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

**Sec.**  2017 c 313 s 209 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—TOLL OPERATIONS AND MAINTENANCE—PROGRAM B**

High Occupancy Toll Lanes Operations Account—State

Appropriation ((~~$4,033,000~~))

 $4,462,000

Motor Vehicle Account—State Appropriation $513,000

State Route Number 520 Corridor Account—State

Appropriation ((~~$52,671,000~~))

 $57,137,000

State Route Number 520 Civil Penalties Account—State

Appropriation ((~~$4,328,000~~))

 $4,131,000

Tacoma Narrows Toll Bridge Account—State

Appropriation ((~~$32,134,000~~))

 $33,621,000

Interstate 405 Express Toll Lanes Operations

Account—State Appropriation ((~~$22,194,000~~))

 $21,760,000

Alaskan Way Viaduct Replacement Project Account—State

Appropriation ((~~$6,506,000~~))

 $13,938,000

TOTAL APPROPRIATION ~~$122,379,000~~

 $135,562,000

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

(1) $1,300,000 of the Tacoma Narrows toll bridge account—state appropriation and $9,048,000 of the state route number 520 corridor account—state appropriation are provided solely for the purposes of addressing unforeseen operations and maintenance costs on the Tacoma Narrows bridge and the state route number 520 bridge, respectively. The office of financial management shall place the amounts provided in this subsection, which represent a portion of the required minimum fund balance under the policy of the state treasurer, in unallotted status. The office may release the funds only when it determines that all other funds designated for operations and maintenance purposes have been exhausted.

(2) $3,100,000 of the Interstate 405 express toll lanes operations account—state appropriation, $1,498,000 of the state route number 520 corridor account—state appropriation, and $1,802,000 of the high occupancy toll lanes operations account—state appropriation are provided solely for the operation and maintenance of roadside toll collection systems.

(3) ((~~$4,328,000~~)) $4,131,000 of the state route number 520 civil penalties account—state appropriation, $2,192,000 of the Tacoma Narrows toll bridge account—state appropriation, and $1,191,000 of the Interstate 405 express toll lanes operations account—state appropriation are provided solely for expenditures related to the toll adjudication process.

(4) The department shall make detailed quarterly expenditure reports available to the Washington state transportation commission and to the public on the department's web site using current resources. The reports must include a summary of toll revenue by facility on all operating toll facilities and high occupancy toll lane systems, and an itemized depiction of the use of that revenue.

(5) As long as the facility is tolled, the department must provide quarterly reports to the transportation committees of the legislature on the Interstate 405 express toll lane project performance measures listed in RCW 47.56.880(4). These reports must include:

(a) Information on the travel times and travel time reliability (at a minimum, average and 90th percentile travel times) maintained during peak and nonpeak periods in the express toll lanes and general purpose lanes for both the entire corridor and commonly made trips in the corridor including, but not limited to, northbound from Bellevue to Rose Hill, state route number 520 at NE 148th to Interstate 405 at state route number 522, Bellevue to Bothell (both NE 8th to state route number 522 and NE 8th to state route number 527), and a trip internal to the corridor (such as NE 85th to NE 160th) and similar southbound trips;

(b) A month-to-month comparison of travel times and travel time reliability for the entire corridor and commonly made trips in the corridor as specified in (a) of this subsection since implementation of the express toll lanes and, to the extent available, a comparison to the travel times and travel time reliability prior to implementation of the express toll lanes;

(c) Total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane (i) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane, on this segment of Interstate 405 prior to implementation of the express toll lanes and (ii) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane, from month to month since implementation of the express toll lanes; and

(d) Underlying congestion measurements, that is, speeds, that are being used to generate the summary graphs provided, to be made available in a digital file format.

(6) $666,000 of the high occupancy toll lanes operations account—state appropriation, $11,527,000 of the state route number 520 corridor account—state appropriation, $4,955,000 of the Tacoma Narrows toll bridge account—state appropriation, $4,286,000 of the Interstate 405 express toll lanes operations account—state appropriation, and $6,506,000 of the Alaskan Way viaduct replacement project account—state appropriation are provided solely for the department to implement a new tolling customer service toll collection system, and are subject to the conditions, limitations, and review provided in section 701 ((~~of this act~~)), chapter 313, Laws of 2017.

(a) The office of financial management shall place $2,000,000 of the amounts provided in this subsection in unallotted status, to be distributed between the facilities using the account proportions in this subsection. If the vendors selected as the successful bidders for the new tolling customer service toll collection system or the operator of the new system are different than the vendor as of January 1, 2017, the office of financial management may release portions of this amount as transition costs.

(b) The funds provided in this subsection from the Alaskan Way viaduct replacement project account—state appropriation are provided through a transfer from the motor vehicle account—state in section 408(26) ((~~of this act~~)), chapter 313, Laws of 2017. These funds are a loan to the Alaskan Way viaduct replacement project account—state, and the legislature assumes that these funds will be reimbursed to the motor vehicle account—state at a later date when the portion of state route number 99 that is the deep bore tunnel is operational.

(c) The department must provide a project status report to the office of financial management and the transportation committees of the legislature on at least a calendar quarterly basis. The report must include, but is not limited to:

(i) Detailed information about the planned and actual scope, schedule, and budget;

(ii) Status of key vendor and other project deliverables; and

(iii) A description of significant changes to planned deliverables or system functions over the life of the project.

(d) The department shall continue to work with the office of financial management, office of the chief information officer, and the transportation committees of the legislature on the project management plan that includes a provision for independent verification and validation of contract deliverables from the successful bidder and a provision for quality assurance that includes reporting independently to the office of the chief information officer on an ongoing basis during system implementation.

(7) The department shall make detailed quarterly reports to the governor and the transportation committees of the legislature on the following:

(a) The use of consultants in the tolling program, including the name of the contractor, the scope of work, the type of contract, timelines, deliverables, any new task orders, and any extensions to existing consultant contracts;

(b) The nonvendor costs of administering toll operations, including the costs of staffing the division, consultants and other personal service contracts required for technical oversight and management assistance, insurance, payments related to credit card processing, transponder purchases and inventory management, facility operations and maintenance, and other miscellaneous nonvendor costs; and

(c) The vendor-related costs of operating tolled facilities, including the costs of the customer service center, cash collections on the Tacoma Narrows bridge, electronic payment processing, and toll collection equipment maintenance, renewal, and replacement.

(d) The toll adjudication process, including a summary table for each toll facility that includes:

(i) The number of notices of civil penalty issued;

(ii) The number of recipients who pay before the notice becomes a penalty;

(iii) The number of recipients who request a hearing and the number who do not respond;

(iv) Workload costs related to hearings;

(v) The cost and effectiveness of debt collection activities; and

(vi) Revenues generated from notices of civil penalty.

(8) ((~~$13,617,000~~)) $13,179,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for operational costs related to the express toll lane facility. The office of financial management shall place $6,808,000 of the amount provided in this subsection in unallotted status. The office of financial management may only release the funds to the department upon the passage of a 2018 supplemental transportation budget.

(9) $5,583,000 of the Alaskan Way viaduct replacement project account—state appropriation is provided solely for the new state route number 99 tunnel toll facility's expected proportional share of collecting toll revenues, operating customer services, and maintaining toll collection systems for the last seven months of the biennium. Due to the uncertainty of the new state route number 99 tunnel toll facility timeline, the legislature is holding the other tolled facilities' administrative cost shares constant for this biennium. The legislature expects to see appropriate reductions to the other toll facility accounts once tolling on the new state route number 99 tunnel toll facility commences and any previously incurred costs for start-up of the new facility are charged back to the Alaskan Way viaduct replacement project account. The office of financial management shall closely monitor the application of the cost allocation model and ensure that the new state route number 99 tunnel toll facility is adequately sharing costs and the other toll facility accounts are not being overspent or subsidizing the new state route number 99 tunnel toll facility.

(10) $1,849,000 of the Alaskan Way viaduct replacement project account—state appropriation is provided solely for the costs associated with the sale of transponders for the opening of the new state route number 99 tunnel toll facility in Seattle. The office of financial management shall place $510,000 of the amount provided in this subsection in unallotted status. The office of financial management may only release the funds to the department if it determines the transponder inventory will otherwise not be sufficient for facility ramp up.

**Sec.**  2017 c 313 s 210 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—INFORMATION TECHNOLOGY—PROGRAM C**

Transportation Partnership Account—State Appropriation $1,460,000

Motor Vehicle Account—State Appropriation ((~~$83,572,000~~))

 $87,566,000

Puget Sound Ferry Operations Account—State

Appropriation $263,000

Multimodal Transportation Account—State

Appropriation ((~~$2,876,000~~))

 $2,878,000

Transportation 2003 Account (Nickel Account)—State

Appropriation $1,460,000

TOTAL APPROPRIATION ~~$89,631,000~~

 $93,627,000

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

(1) $9,588,000 of the motor vehicle account—state appropriation is provided solely for the development of the labor system replacement project and is subject to the conditions, limitations, and review provided in section 701 ((~~of this act~~)), chapter 313, Laws of 2017. It is the intent of the legislature that if any portion of the labor system replacement project is leveraged in the future for the time, leave, and labor distribution of any other agencies, the motor vehicle account will be reimbursed proportionally for the development of the system since amounts expended from the motor vehicle account must be used exclusively for highway purposes in conformance with Article II, section 40 of the state Constitution. This must be accomplished through a loan arrangement with the current interest rate under the terms set by the office of the state treasurer at the time the system is deployed to additional agencies. If the motor vehicle account is not reimbursed for future use of the system, it is further the intent of the legislature that reductions will be made to central service agency charges accordingly.

(2) $2,296,000 of the motor vehicle account—state appropriation is provided solely for the development of ferries network systems support.

**Sec.**  2017 c 313 s 211 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—FACILITY MAINTENANCE, OPERATIONS, AND CONSTRUCTION—PROGRAM D—OPERATING**

Motor Vehicle Account—State Appropriation ((~~$28,146,000~~))

 $29,406,000

State Route Number 520 Corridor Account—State

Appropriation $34,000

TOTAL APPROPRIATION ~~$28,180,000~~

 $29,440,000

**Sec.**  2017 c 313 s 212 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—AVIATION—PROGRAM F**

Aeronautics Account—State Appropriation ((~~$6,749,000~~))

 $7,295,000

Aeronautics Account—Federal Appropriation ((~~$4,900,000~~))

 $6,855,000

Aeronautics Account—Private/Local Appropriation $171,000

TOTAL APPROPRIATION ~~$11,820,000~~

 $14,321,000

The appropriations in this section are subject to the following conditions and limitations: ((~~$2,637,000~~)) $3,122,000 of the aeronautics account—state appropriation is provided solely for the airport aid grant program, which provides competitive grants to public airports for pavement, safety, planning, and security.

**Sec.**  2017 c 313 s 213 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—PROGRAM DELIVERY MANAGEMENT AND SUPPORT—PROGRAM H**

Motor Vehicle Account—State Appropriation ((~~$54,512,000~~))

 $56,508,000

Motor Vehicle Account—Federal Appropriation $500,000

Multimodal Transportation Account—State Appropriation ((~~$252,000~~))

 $257,000

TOTAL APPROPRIATION ~~$55,264,000~~

 $57,265,000

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

(1) $300,000 of the motor vehicle account—state appropriation is provided solely for the completion of property value determinations for surplus properties to be sold. The value determinations must be completed by agency staff if available; otherwise, the agency may contract out for these services. The real estate services division of the department must recover the cost of its efforts from the sale of surplus property. Proceeds for surplus property sales must fund additional future sales, and the real estate services division shall prioritize staff resources to meet revenue assumptions for surplus property sales.

(2) The legislature recognizes that the trail known as the Rocky Reach Trail, and its extensions, serve to separate motor vehicle traffic from pedestrians and bicyclists, increasing motor vehicle safety on state route number 2 and the coincident section of state route number 97. Consistent with chapter 47.30 RCW and pursuant to RCW 47.12.080, the legislature declares that transferring portions of WSDOT Inventory Control (IC) No. 2-09-04686 containing the trail and associated buffer areas to the Washington state parks and recreation commission is consistent with the public interest. The legislature directs the department to transfer the property to the Washington state parks and recreation commission.

(a) The department must be paid fair market value for any portions of the transferred real property that is later abandoned, vacated, or ceases to be publicly maintained for trail purposes.

(b) Prior to completing the transfer in this subsection (2), the department must ensure that provisions are made to accommodate private and public utilities and any facilities that predate the department's acquisition of the property, at no cost to those entities. Prior to completing the transfer, the department shall also ensure that provisions, by fair market assessment, are made to accommodate other private and public utilities and any facilities that have been legally allowed by permit or other instrument.

(c) The department may sell any adjoining property that is not necessary to support the Rocky Reach Trail and adjacent buffer areas only after the transfer of trail-related property to the Washington state parks and recreation commission is complete. Adjoining property owners must be given the first opportunity to acquire such property that abuts their property, and applicable boundary line or other adjustments must be made to the legal descriptions for recording purposes.

**Sec.**  2017 c 313 s 214 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC-PRIVATE PARTNERSHIPS—PROGRAM K**

Motor Vehicle Account—State Appropriation ((~~$622,000~~))

 $620,000

Electric Vehicle Charging Infrastructure

Account—State Appropriation $1,000,000

Multimodal Transportation Account—State

Appropriation $535,000

TOTAL APPROPRIATION ~~$2,157,000~~

 $2,155,000

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

(1) $35,000 of the multimodal transportation account—state appropriation is provided solely for the public-private partnerships program to conduct an outreach effort to assess interest in a public-private partnership to rebuild the Anacortes ferry terminal. The public-private partnerships program shall issue a request for letters of interest, similar to the request issued in 2009, in a public-private partnership to rebuild the Anacortes ferry terminal by combining the ferry terminal functions and structure with one or more commercial ventures, including, but not limited to, ventures to provide lodging, conference and meeting facilities, food service, shopping, or other retail operations. The public-private partnerships program shall notify the transportation committees of the legislature upon release of the request for letters of interest and shall provide the transportation committees of the legislature with a summary of the information collected once the letters of interest have been received.

(2) $1,000,000 of the electric vehicle charging infrastructure account—state appropriation is provided solely for the purpose of capitalizing the Washington electric vehicle infrastructure bank as provided in chapter 44, Laws of 2015 3rd sp. sess. (transportation revenue). The department may spend no more than one million dollars from the electric vehicle charging infrastructure account during the four-year period of the 2015-2017 and 2017-2019 fiscal biennia.

(3) The economic partnerships program must continue to explore retail partnerships at state-owned park and ride facilities, as authorized in RCW 47.04.295.

(4) $500,000 of the multimodal transportation account—state appropriation is provided solely to study public-private partnership alternatives for the financing and construction of an entry building located at Colman Dock.

(a) As part of the study, the public-private partnerships program must work with the city of Seattle, Native American tribes, and local community groups to evaluate the efficacy of contracting with a private entity to participate in the construction of the Colman Dock entry building. The study must:

(i) Identify and discuss options to construct the facility as currently scoped;

(ii) Identify and discuss options, including rescoping the current design of the facility for purposes of providing a project that has the potential to increase economic development activities along the Seattle waterfront area, such as through the inclusion of office space and restaurants;

(iii) Consider concepts and options found in the design development described in the 2013-2015 capital budget (chapter 19, Laws of 2013 2nd sp. sess.), including connections to Pier 48 as a future public park;

(iv) Consider rooftop public access for panoramic views of the Puget Sound and Olympic mountains; and

(v) Consider exhibits of the history and heritage of the vicinity.

(b) By November 15, 2017, the public-private partnerships program must provide a report to the governor and the transportation committees of the legislature on the program's findings and recommendations.

(5) The department of transportation must apply to the department of ecology for grants funded by the Volkswagen "clean diesel" marketing, sales practice, and products liability litigation settlement. The department must apply for funding for electric vehicle charging station infrastructure projects. The department of ecology must work with the department of transportation to select projects for funding.

**Sec.**  2017 c 313 s 215 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M**

Motor Vehicle Account—State Appropriation ((~~$434,781,000~~))

 $452,451,000

Motor Vehicle Account—Federal Appropriation $7,000,000

State Route Number 520 Corridor Account—State

Appropriation $4,447,000

Tacoma Narrows Toll Bridge Account—State

Appropriation $1,233,000

Alaskan Way Viaduct Replacement Project Account—State

Appropriation $2,982,000

TOTAL APPROPRIATION ~~$447,461,000~~

 $468,113,000

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

(1) ((~~$7,092,000~~)) $8,000,000 of the motor vehicle account—state appropriation is provided solely for utility fees assessed by local governments as authorized under RCW 90.03.525 for the mitigation of stormwater runoff from state highways.

(2) $4,447,000 of the state route number 520 corridor account—state appropriation is provided solely to maintain the state route number 520 floating bridge. These funds must be used in accordance with RCW 47.56.830(3).

(3) $1,233,000 of the Tacoma Narrows toll bridge account—state appropriation is provided solely to maintain the new Tacoma Narrows bridge. These funds must be used in accordance with RCW 47.56.830(3).

(4) $35,000 of the motor vehicle account—state appropriation is provided solely for the department to submit a request for proposals as part of a pilot project that explores the use of rotary auger ditch cleaning and reshaping service technology in maintaining roadside ditches for state highways. The pilot project must consist of at least one technology test on each side of the Cascade mountain range.

(5) ((~~$250,000~~)) $631,000 of the motor vehicle account—state appropriation is provided solely for the department to implement safety improvements and debris clean up on department-owned rights-of-way in the city of Seattle. Direct or contracted activities must include collecting and disposing of garbage, clearing debris or hazardous material, and implementing safety improvements. Funds may also be used to contract with the city of Seattle to provide mutual services in rights-of-way similar to contract agreements in the 2015-2017 fiscal biennium. $381,000 of the amount provided in this subsection is for one-time equipment procurement needed to implement this subsection.

**Sec.**  2017 c 313 s 216 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—OPERATING**

Motor Vehicle Account—State Appropriation ((~~$62,578,000~~))

 $65,864,000

Motor Vehicle Account—Federal Appropriation $2,050,000

Motor Vehicle Account—Private/Local Appropriation $250,000

TOTAL APPROPRIATION ~~$64,878,000~~

 $68,164,000

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

(1) $6,000,000 of the motor vehicle account—state appropriation is provided solely for low-cost enhancements. The department shall give priority to low-cost enhancement projects that improve safety or provide congestion relief. By December 15th of each odd-numbered year, the department shall provide a report to the legislature listing all low-cost enhancement projects completed in the prior fiscal biennium.

(2) When regional transit authority construction activities are visible from a state highway, the department shall allow the regional transit authority to place safe and appropriate signage informing the public of the purpose of the construction activity.

(3) The department must make signage for low-height bridges a high priority.

(4) $50,000 of the motor vehicle account—state appropriation is provided solely for the department to coordinate with the appropriate local jurisdictions for development and implementation of a historic route 10 signage program on Interstate 90 from the Columbia River to the Idaho state border.

(5)(a) During the 2017-2019 fiscal biennium, the department shall continue a pilot program that expands private transportation providers' access to high occupancy vehicle lanes. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, the following vehicles must be authorized to use the reserved portion of the highway if the vehicle has the capacity to carry eight or more passengers, regardless of the number of passengers in the vehicle: (a) Auto transportation company vehicles regulated under chapter 81.68 RCW; (b) passenger charter carrier vehicles regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; (c) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and (d) private employer transportation service vehicles. For purposes of this subsection, "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees. Nothing in this subsection is intended to authorize the conversion of public infrastructure to private, for-profit purposes or to otherwise create an entitlement or other claim by private users to public infrastructure.

(b) The department shall expand the high occupancy vehicle lane access pilot program to vehicles that deliver or collect blood, tissue, or blood components for a blood-collecting or distributing establishment regulated under chapter 70.335 RCW. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, blood-collecting or distributing establishment vehicles that are clearly and identifiably marked as such on all sides of the vehicle are considered emergency vehicles and must be authorized to use the reserved portion of the highway.

(c) The department shall expand the high occupancy vehicle lane access pilot program to private, for hire vehicles regulated under chapter 81.72 RCW that have been specially manufactured, designed, or modified for the transportation of a person who has a mobility disability and uses a wheelchair or other assistive device. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, wheelchair-accessible taxicabs that are clearly and identifiably marked as such on all sides of the vehicle are considered public transportation vehicles and must be authorized to use the reserved portion of the highway.

(d) Nothing in this subsection (5) is intended to exempt these vehicles from paying tolls when they do not meet the occupancy requirements established by the department for high occupancy toll lanes.

**Sec.**  2017 c 313 s 217 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S**

Motor Vehicle Account—State Appropriation ((~~$32,794,000~~))

 $34,372,000

Motor Vehicle Account—Federal Appropriation $1,656,000

Multimodal Transportation Account—State

Appropriation ((~~$1,128,000~~))

 $1,129,000

TOTAL APPROPRIATION ~~$35,578,000~~

 $37,157,000

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

(1) $1,500,000 of the motor vehicle account—state appropriation is provided solely for a grant program that makes awards for the following: (a) Support for nonprofit agencies, churches, and other entities to help provide outreach to populations underrepresented in the current apprenticeship programs; (b) preapprenticeship training; and (c) child care, transportation, and other supports that are needed to help women, veterans, and minorities enter and succeed in apprenticeship. The department must report on grants that have been awarded and the amount of funds disbursed by December 1, 2017, and annually thereafter.

(2) $300,000 of the motor vehicle account—state appropriation is provided solely for succession planning and leadership training. The department shall report on the implementation of these activities to the transportation committees of the legislature by December 31, 2018.

(3) From the revenues generated by the five dollar per studded tire fee under RCW 46.37.427, $250,000 of the motor vehicle account—state appropriation is provided solely for the department, in consultation with the appropriate local jurisdictions and relevant stakeholder groups, to establish a pilot media-based public information campaign regarding the damage of studded tire use on state and local roadways in Spokane county. The reason for the geographic selection of Spokane county for the pilot is based on the high utilization of studded tires in this jurisdiction. The public information campaign must primarily focus on making the consumer aware of the road deterioration, financial impact for taxpayers, the safety implications for other drivers, and, secondarily, the alternatives to studded tires. The two-year pilot must begin by September 1, 2018. By June 30, 2019, the department shall provide a report to the transportation committees of the legislature on the outcomes of the pilot public information program.

**Sec.**  2017 c 313 s 218 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION PLANNING, DATA, AND RESEARCH—PROGRAM T**

Motor Vehicle Account—State Appropriation ((~~$23,117,000~~))

 $26,901,000

Motor Vehicle Account—Federal Appropriation ((~~$35,182,000~~))

 $39,782,000

Multimodal Transportation Account—State Appropriation $711,000

Multimodal Transportation Account—Federal

Appropriation $2,809,000

Multimodal Transportation Account—Private/Local

Appropriation $100,000

TOTAL APPROPRIATION ~~$61,919,000~~

 $70,303,000

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

(1) The department shall investigate opportunities for a transit-oriented development pilot project at the existing Kingsgate park and ride at Interstate 405 and 132nd. The department must coordinate with the city of Kirkland and other key stakeholders to determine the feasibility and cost of transit-oriented development at Kingsgate. A report on the process and outcomes is due to the transportation committees of the legislature no later than December 1, 2017.

(2) $100,000 of the motor vehicle account—state appropriation and $250,000 of the motor vehicle account—federal appropriation are provided solely for a study that details a cost estimate for replacing the westbound U.S. 2 trestle and recommends a series of financing options to address that cost and to satisfy debt service requirements.

In conducting the study, the department shall work in close collaboration with a stakeholder group that includes, but is not limited to, Snohomish county, the port of Everett, economic alliance Snohomish county, the cities of Everett, Lake Stevens, Marysville, Snohomish, and Monroe, and affected transit agencies.

The department shall quantify both the cost of replacing the westbound trestle structure and making mobility and capacity improvements to maximize the use of the structure in the years leading up to full replacement. Financing options that should be examined and quantified include public-private partnerships, public-public partnerships, a transportation benefit district tailored to the specific incorporated and unincorporated area, loans and grants, and other alternative financing measures available at the state or federal level.

The department shall also evaluate ways in which the costs of alternative financing can be debt financed.

The department shall complete the study and submit a final report and recommendations to the transportation committees of the legislature, including recommendations on statutory changes needed to implement available financing options, by January 8, 2018.

(3) $100,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 6195), Laws of 2018 (transportation projects of statewide significance). If chapter . . . (Substitute Senate Bill No. 6195), Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

(4) $181,000 of the motor vehicle account—state appropriation is provided solely for the department, in coordination with the University of Washington department of mechanical engineering, to study measures to reduce noise impacts from bridge expansion joints. The study must examine testing methodologies and project timelines and costs. A final report must be submitted to the transportation committees of the legislature by October 15, 2018.

(5) Among the options studied as part of the SR 410 Corridor Study, the department shall examine the mobility and safety benefits of replacing or expanding the White River bridge between Enumclaw and Buckley to four lanes and removing the trestle.

(6) $200,000 of the motor vehicle account—state appropriation is provided solely for implementation of a practical solutions study for the state route number 162 and state route number 410 interchange, based on the recommendations of the SR 162 Study/Design project (L2000107). The study must include short, medium, and long-term phase recommendations and must be submitted to the transportation committees of the legislature by January 1, 2019.

(7) Within existing resources, the department shall meet with local stakeholders in south Pierce county to discuss potential solutions to traffic congestion; emergency management concerns regarding routes away from natural disasters and around incidents similar to the train derailment that occurred on December 18th, 2017; and what state transportation investments would benefit the economic development of the area. The department shall provide regular updates on its progress to the joint transportation committee.

**Sec.**  2017 c 313 s 219 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U**

Motor Vehicle Account—State Appropriation ((~~$69,997,000~~))

 $74,806,000

Multimodal Transportation Account—State

Appropriation ((~~$1,285,000~~))

 $1,923,000

TOTAL APPROPRIATION ~~$71,282,000~~

 $76,729,000

**Sec.**  2017 c 313 s 220 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V**

State Vehicle Parking Account—State Appropriation ((~~$754,000~~))

 $784,000

Regional Mobility Grant Program Account—State

Appropriation ((~~$93,920,000~~))

 $101,786,000

Rural Mobility Grant Program Account—State

Appropriation $32,223,000

Multimodal Transportation Account—State

Appropriation ((~~$92,437,000~~))

 $97,867,000

Multimodal Transportation Account—Federal

Appropriation $3,574,000

TOTAL APPROPRIATION ~~$222,908,000~~

 $236,234,000

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

(1) $52,679,000 of the multimodal transportation account—state appropriation is provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation. Of this amount:

(a) $12,000,000 of the multimodal transportation account—state appropriation is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers must be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided. Of the amount provided in this subsection (1)(a), $25,000 of the multimodal transportation account—state appropriation is provided solely for the ecumenical christian helping hands organization for special needs transportation services.

(b) $40,679,000 of the multimodal transportation account—state appropriation is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must, to the greatest extent practicable, have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies must be prorated based on the amount expended for demand response service and route deviated service in calendar year 2015 as reported in the "Summary of Public Transportation - 2015" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions.

(2) $32,223,000 of the rural mobility grant program account—state appropriation is provided solely for grants to aid small cities in rural areas as prescribed in RCW 47.66.100.

(3)(a) ((~~$10,290,000~~)) $10,702,000 of the multimodal transportation account—state appropriation is provided solely for a vanpool grant program for: (i) Public transit agencies to add vanpools or replace vans; and (ii) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; operating costs for public transit agencies are not eligible for funding under this grant program. Additional employees may not be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. The department shall encourage grant applicants and recipients to leverage funds other than state funds.

(b) At least $1,600,000 of the amount provided in this subsection must be used for vanpool grants in congested corridors.

(4) ((~~$16,241,000~~)) $24,107,000 of the regional mobility grant program account—state appropriation is reappropriated and provided solely for the regional mobility grant projects identified in LEAP Transportation Document ((~~2017~~)) 2018-2 ALL PROJECTS as developed ((~~April 20, 2017~~)) February 19, 2018, Program - Public Transportation Program (V). Of the amounts provided in this subsection, $757,000 of the regional mobility grant program account—state appropriation is reappropriated solely for the Kitsap Transit, SR 305 Interchange Improvements at Suquamish Way Park and Ride (Project 20130101.)

(5)(a) $77,679,000 of the regional mobility grant program account—state appropriation is provided solely for the regional mobility grant projects identified in LEAP Transportation Document ((~~2017~~)) 2018-2 ALL PROJECTS as developed ((~~April 20, 2017~~)) February 19, 2018, Program - Public Transportation Program (V). The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, must be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and any remaining funds must be used only to fund projects identified in the LEAP transportation document referenced in this subsection. The department shall provide annual status reports on December 15, 2017, and December 15, 2018, to the office of financial management and the transportation committees of the legislature regarding the projects receiving the grants. It is the intent of the legislature to appropriate funds through the regional mobility grant program only for projects that will be completed on schedule. A grantee may not receive more than twenty-five percent of the amount appropriated in this subsection. The department shall not approve any increases or changes to the scope of a project for the purpose of a grantee expending remaining funds on an awarded grant.

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2017-2019 fiscal biennium, a transit agency must establish a process for private transportation providers to apply for the use of park and ride facilities. For purposes of this subsection, (i) "private transportation provider" means: An auto transportation company regulated under chapter 81.68 RCW; a passenger charter carrier regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; a private nonprofit transportation provider regulated under chapter 81.66 RCW; or a private employer transportation service provider; and (ii) "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees.

(6) Funds provided for the commute trip reduction (CTR) program may also be used for the growth and transportation efficiency center program.

(7) ((~~$5,920,000~~)) $6,920,000 of the multimodal transportation account—state appropriation and ((~~$754,000~~)) $784,000 of the state vehicle parking account—state appropriation are provided solely for CTR grants and activities. Of this amount((~~,~~)):

(a) $250,000 of the multimodal transportation account—state appropriation is provided solely for a voluntary pilot program to expand public-private partnership CTR incentives to make measurable reductions in off-peak, weekend, and nonwork trips. Ridesharing may be integrated into grant proposals. The department shall prioritize grant proposals that focus on the Interstate 90, Interstate 5, or Interstate 405 corridor. The department shall offer competitive trip-reduction grants. The department shall report to the transportation committees of the legislature by December 1, 2018, on the pilot program's impacts to the transportation system and potential improvements to the CTR grant program;

(b) $1,000,000 of the multimodal transportation account—state appropriation is provided solely for the department to direct a pilot transit pass incentive program. Businesses and nonprofit organizations located in a county adjacent to Puget Sound with a population of more than seven hundred thousand that have never offered transit subsidies to employees are eligible to apply to the program for a fifty percent rebate on the cost of employee transit subsidies provided through the regional ORCA fare collection system. No single business or nonprofit organization may receive more than ten thousand dollars from the program.

(i) Businesses and nonprofit organizations may apply and be awarded funds prior to purchasing a transit subsidy, but the department may not provide reimbursement until proof of purchase or a contract has been provided to the department.

(ii) The department shall report to the transportation committees of the legislature on the impact of the program by June 30, 2019, and may adopt rules to administer the program; and

(c) $30,000 of the state vehicle parking account—state appropriation is provided solely for the STAR pass program for state employees residing in Mason and Grays Harbor Counties. Use of the pass is for public transportation between Mason County and Thurston County, and Grays Harbor and Thurston County. The pass may also be used within Grays Harbor County.

(8) ((~~$17,590,000~~)) $20,891,000 of the multimodal transportation account—state appropriation is provided solely for connecting Washington transit projects identified in LEAP Transportation Document ((~~2017~~)) 2018-2 ALL PROJECTS as developed ((~~April 20, 2017~~)) February 19, 2018. It is the intent of the legislature that entities identified to receive funding in the LEAP document referenced in this subsection receive the amounts specified in the time frame specified in that LEAP document. If an entity has already completed a project in the LEAP document referenced in this subsection before the time frame identified, the entity may substitute another transit project or projects that cost a similar or lesser amount.

(9) $2,000,000 of the multimodal transportation account—state appropriation is provided solely for transit coordination grants.

(10) $250,000 of the multimodal transportation account—state appropriation is provided solely for King county for a pilot program to provide certain students in the Highline and Lake Washington school districts with an ORCA card during the summer. To be eligible for an ORCA card under this program, a student must also be in high school, be eligible for free and reduced-price lunches, and have a job or other responsibility during the summer. King county must provide a report to the department and the transportation committees of legislature by December 15, 2018, regarding: The annual student usage of the pilot program, available ridership data, the cost to expand the program to other King county school districts, the cost to expand the program to student populations other than high school or eligible for free and reduced-price lunches, opportunities for subsidized ORCA cards or local grant or matching funds, and any additional information that would help determine if the pilot program should be extended or expanded.

(11) The department shall not require more than a ten percent match from nonprofit transportation providers for state grants.

(12)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (4) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance one or more of the following projects:

(i) King County Metro - RapidRide Expansion, Burien-Delridge (G2000031);

(ii) King County Metro - Route 40 Northgate to Downtown (G2000032);

(iii) Spokane Transit - Spokane Central City Line (G2000034);

(iv) Kitsap Transit - East Bremerton Transfer Center (G2000039); or

(v) City of Seattle - Northgate Transit Center Pedestrian Bridge (G2000041).

(b) At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

(13) The department of transportation must apply to the department of ecology for grants funded by the Volkswagen "clean diesel" marketing, sales practice, and products liability litigation settlement. The department must apply for funding for projects that electrify and reduce air emissions from public-sector transit buses. The department must work with the department of ecology to select projects for funding.

(14) $750,000 of the multimodal transportation account—state appropriation is provided solely for the Intercity Transit Dash shuttle program.

(15) It is the intent of the legislature to provide up to $1,000,000 of multimodal transportation account—state funds as matching funds in the 2019-21 fiscal biennium to a local government entity awarded any 2018 Advanced Transportation and Congestion Management Technologies Deployment Program (ATCMDP) federal grant funds. An ATCMDP grant is anticipated for a coalition of cities in the vicinity of the I-405 and state route 167 corridors to advance a system of flexibly scheduled, electric and automated vanpools and carpools designed to reduce commute peak traffic, accidents and vehicle emissions.

**Sec.**  2017 c 313 s 221 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X**

Puget Sound Ferry Operations Account—State

Appropriation ((~~$496,307,000~~))

 $510,614,000

Puget Sound Ferry Operations Account—Federal

Appropriation $8,743,000

Puget Sound Ferry Operations Account—Private/Local

Appropriation $121,000

TOTAL APPROPRIATION ~~$505,171,000~~

 $519,478,000

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

(1) The office of financial management budget instructions require agencies to recast enacted budgets into activities. The Washington state ferries shall include a greater level of detail in its 2017-2019 supplemental and 2019-2021 omnibus transportation appropriations act requests, as determined jointly by the office of financial management, the Washington state ferries, and the transportation committees of the legislature. This level of detail must include the administrative functions in the operating as well as capital programs.

(2) For the 2017-2019 fiscal biennium, the department may enter into a distributor controlled fuel hedging program and other methods of hedging approved by the fuel hedging committee.

(3) ((~~$68,049,000~~)) $71,004,000 of the Puget Sound ferry operations account—state appropriation is provided solely for auto ferry vessel operating fuel in the 2017-2019 fiscal biennium, which reflect cost savings from a reduced biodiesel fuel requirement and, therefore, is contingent upon the enactment of section 703 ((~~of this act~~)), chapter 313, Laws of 2017. The amount provided in this subsection represents the fuel budget for the purposes of calculating any ferry fare fuel surcharge.

(4) $30,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the marine division assistant secretary's designee to the board of pilotage commissioners, who serves as the board chair. As the agency chairing the board, the department shall direct the board chair, in his or her capacity as chair, to require that the report to the governor and chairs of the transportation committees required under RCW 88.16.035(1)(f) be filed by September 1, 2017, and annually thereafter, and that the report include the continuation of policies and procedures necessary to increase the diversity of pilots, trainees, and applicants, including a diversity action plan. The diversity action plan must articulate a comprehensive vision of the board's diversity goals and the steps it will take to reach those goals.

(5) $500,000 of the Puget Sound ferry operations account—state appropriation is provided solely for operating costs related to moving vessels for emergency capital repairs. Funds may only be spent after approval by the office of financial management.

(6) $25,000 of the Puget Sound ferry operations account—state appropriation is provided solely for additional hours of traffic control assistance by a uniformed officer at the Fauntleroy ferry terminal.

(7) $75,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the department to contract with the University of Washington to conduct an analysis of loading procedures at the Fauntleroy ferry terminal. The department shall share the results of the analysis with the governor's office and the transportation committees of the legislature by December 31, 2018.

**Sec.**  2017 c 313 s 222 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—OPERATING**

Multimodal Transportation Account—State

Appropriation ((~~$80,146,000~~))

 $80,518,000

Multimodal Transportation Account—Private/Local

Appropriation ((~~$46,000~~))

 $3,646,000

TOTAL APPROPRIATION ~~$80,192,000~~

 $84,164,000

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

(1) $300,000 of the multimodal transportation account—state appropriation is provided solely for a consultant study of ultra high-speed ground transportation. "Ultra high-speed" means two hundred fifty miles per hour or more. The study must identify the costs and benefits of ultra high-speed ground transportation along a north-south alignment in Washington state. The study must provide:

((~~(1)~~)) (a) An update to the high speed ground transportation study commissioned pursuant to chapter 231, Laws of 1991 and delivered to the governor and legislature on October 15, 1992;

((~~(2)~~)) (b) An analysis of an ultra high-speed ground transportation alignment between Vancouver, British Columbia and Portland, Oregon with stations in: Vancouver, British Columbia; Bellingham, Everett, Seattle, SeaTac, Tacoma, Olympia, and Vancouver, Washington; and Portland, Oregon, with an option to connect with an east-west alignment in Washington state and with a similar system in the state of California;

((~~(3)~~)) (c) An analysis of the following key elements:

((~~(a)~~)) (i) Economic feasibility;

((~~(b)~~)) (ii) Forecasted demand;

((~~(c)~~)) (iii) Corridor identification;

((~~(d)~~)) (iv) Land use and economic development and environmental implications;

((~~(e)~~)) (v) Compatibility with other regional transportation plans, including interfaces and impacts on other travel modes such as air transportation;

((~~(f)~~)) (vi) Technological options for ultra high-speed ground transportation, both foreign and domestic;

((~~(g)~~)) (vii) Required specifications for speed, safety, access, and frequency;

((~~(h)~~)) (viii) Identification of existing highway or railroad rights-of-way that are suitable for ultra high-speed travel, including identification of additional rights-of-way that may be needed and the process for acquiring those rights-of-way;

((~~(i)~~)) (ix) Institutional arrangements for carrying out detailed system planning, construction, and operations; and

((~~(j)~~)) (x) An analysis of potential financing mechanisms for an ultra high-speed travel system.

The department shall provide a report of its study findings to the governor and transportation committees of the legislature by December 15, 2017.

(2) $3,600,000 of the multimodal transportation account—local appropriation is provided solely for a consultant business case analysis of ultra high-speed ground transportation. The business case analysis must build on the results of the 2017 Washington state ultra high-speed ground transportation feasibility study. The department shall provide a report of its findings to the governor and transportation committees of the legislature by June 30, 2019.

(3) Within existing resources, the department shall convene a work group on the electrification of rail lines in Washington state. The work group shall be comprised of, but not limited to, railroad owners and operators, rail electrification experts, and financial experts. The work group shall:

(a) Investigate the cost of electrification for freight and passenger rail;

(b) Review the costs and benefits associated with electrification on the mainline north-south and east-west routes in Washington;

(c) Determine whether a market business case may exist for electrification investments; and

(d) Review potential funding sources and mechanisms.

The department shall provide a report of its study findings to the governor and transportation committees of the legislature by June 30, 2019.

(4) $250,000 of the multimodal transportation account—state appropriation is provided solely for the department to conduct a study of the feasibility of an east-west intercity passenger rail system. The study must include the following elements:

(a) Projections of potential ridership;

(b) Review of relevant planning studies;

(c) Establishment of an advisory group and associated meetings;

(d) Development of a Stampede Pass corridor alignment to maximize ridership, revenue, and rationale, considering service to population centers: Auburn, Cle Elum, Yakima, Tri-Cities; Ellensburg & Toppenish;

(e) Assessment of current infrastructure conditions, including station stop locations;

(f) Identification of equipment needs;

(g) Identification of operator options; and

(h) Interviews with stakeholders.

A report of the study findings and recommendations is due to the transportation committees of the legislature by January 15, 2019.

**Sec.**  2017 c 313 s 223 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING**

Motor Vehicle Account—State Appropriation ((~~$10,644,000~~))

 $11,365,000

Motor Vehicle Account—Federal Appropriation $2,567,000

Multiuse Roadway Safety Account—State Appropriation $132,000

TOTAL APPROPRIATION ~~$13,343,000~~

 $14,064,000

The appropriations in this section are subject to the following conditions and limitations: $1,100,000 of the motor vehicle account—state appropriation is provided solely for the department, from amounts set aside out of statewide fuel taxes distributed to counties according to RCW 46.68.120(3), to contract with the Washington state association of counties to: Provide statewide updates to transportation metrics and financial reporting; develop and implement an inventory of county culvert and short-span bridge infrastructure; and develop and implement enhanced road safety data in support of county road systemic safety programs. The Washington state association of counties must develop and implement data collection, management, and reporting in cooperation with state agencies involved with the collection and maintenance of related inventory systems.

**TRANSPORTATION AGENCIES—CAPITAL**

**Sec.**  2017 c 313 s 301 (uncodified) is amended to read as follows:

**FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

Freight Mobility Investment Account—State

Appropriation ((~~$22,462,000~~))

 $22,507,000

Highway Safety Account—State Appropriation ((~~$1,900,000~~))

 $2,000,000

Motor Vehicle Account—Federal Appropriation $3,250,000

Freight Mobility Multimodal Account—State

Appropriation ((~~$21,843,000~~))

 $22,283,000

Freight Mobility Multimodal Account—Private/Local

Appropriation $1,320,000

TOTAL APPROPRIATION ~~$50,775,000~~

 $51,360,000

**Sec.**  2017 c 313 s 302 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE PATROL**

State Patrol Highway Account—State Appropriation ((~~$3,103,000~~))

 $4,503,000

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation in this section is provided solely for the following projects:

(1) $250,000 for emergency repairs;

(2) $728,000 for roof replacements;

(3) ((~~$2,000,000 for the state patrol academy in Shelton for replacement of the skid pan, repair of the training tank, and replacement of the HVAC system; and~~

~~(4)~~)) $125,000 for the Whiskey Ridge generator shelter;

(4) $200,000 for replacement of the HVAC system at the state patrol academy in Shelton;

(5) $700,000 for repair of the training tank at the state patrol academy in Shelton; and

(6) $2,500,000 for the replacement of the skid pan at the state patrol academy in Shelton.

The Washington state patrol may transfer funds between projects specified in this section to address cash flow requirements. If a project specified in this section is completed for less than the amount provided, the remainder may be transferred to another project specified in this section not to exceed the total appropriation provided in this section.

**Sec.**  2017 c 313 s 303 (uncodified) is amended to read as follows:

**FOR THE COUNTY ROAD ADMINISTRATION BOARD**

Rural Arterial Trust Account—State Appropriation ((~~$58,186,000~~))

 $63,186,000

Motor Vehicle Account—State Appropriation $706,000

County Arterial Preservation Account—State

Appropriation ((~~$35,434,000~~))

 $38,434,000

TOTAL APPROPRIATION ~~$94,326,000~~

 $102,326,000

**Sec.**  2017 c 313 s 304 (uncodified) is amended to read as follows:

**FOR THE TRANSPORTATION IMPROVEMENT BOARD**

Small City Pavement and Sidewalk Account—State

Appropriation $5,780,000

Transportation Improvement Account—State

Appropriation ((~~$240,300,000~~))

 $279,300,000

Multimodal Transportation Account—State

Appropriation $14,670,000

TOTAL APPROPRIATION ~~$260,750,000~~

 $299,750,000

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

(1) The entire multimodal transportation account—state appropriation is provided solely for the complete streets program.

(2) $9,687,000 of the transportation improvement account—state appropriation is provided solely for:

(a) The arterial preservation program to help low tax-based, medium-sized cities preserve arterial pavements;

(b) The small city pavement program to help cities meet urgent preservation needs; and

(c) The small city low-energy street light retrofit program.

**Sec.**  2017 c 313 s 305 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—FACILITIES—PROGRAM D—(DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)—CAPITAL**

Transportation Partnership Account—State Appropriation $17,000

Motor Vehicle Account—State Appropriation ((~~$6,087,000~~))

 $10,070,000

Connecting Washington Account—State Appropriation ((~~$24,257,000~~))

 $21,051,000

TOTAL APPROPRIATION ~~$30,344,000~~

 $31,138,000

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

(1) ((~~$16,170,000~~)) $11,751,000 of the connecting Washington account—state appropriation is provided solely for a new Olympic region maintenance and administration facility to be located on the department-owned site at the intersection of Marvin Road and 32nd Avenue in Lacey, Washington.

(2) ((~~$8,087,000~~)) $9,300,000 of the connecting Washington account—state appropriation is provided solely for a new administration facility on Euclid Avenue in Wenatchee, Washington.

(3)(a) $3,400,000 of the motor vehicle account—state appropriation is provided solely for the department facility located at 15700 Dayton Ave N in Shoreline. This appropriation is contingent upon the department of ecology and department of licensing signing a not less than twenty-year agreement to pay proportional shares of an annual amount equal to:

(i) Any financing contract issued pursuant to chapter 39.94 RCW; and

(ii) Seven hundred thousand dollars, which represents the department's contribution for this renovation project of fourteen million dollars divided over twenty years.

(b) Payments from the department of licensing and department of ecology as described in this subsection shall be deposited into the motor vehicle account.

(c) Total project costs are not to exceed $46,500,000.

**Sec.**  2017 c 313 s 306 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I**

Transportation Partnership Account—State

Appropriation ((~~$570,992,000~~))

 $689,745,000

Motor Vehicle Account—State Appropriation ((~~$47,406,000~~))

 $74,517,000

Motor Vehicle Account—Federal Appropriation ((~~$216,647,000~~))

 $253,410,000

Motor Vehicle Account—Private/Local Appropriation ((~~$24,209,000~~))

 $49,430,000

Connecting Washington Account—State

Appropriation ((~~$1,159,822,000~~))

 $1,215,013,000

Special Category C Account—State Appropriation ((~~$6,146,000~~))

 $12,000,000

Multimodal Transportation Account—State

Appropriation ((~~$15,162,000~~))

 $16,299,000

Alaskan Way Viaduct Replacement Project Account—State

Appropriation ((~~$122,046,000~~))

 $122,047,000

Transportation 2003 Account (Nickel Account)—State

Appropriation ((~~$51,115,000~~))

 $51,457,000

Interstate 405 Express Toll Lanes Operations Account—State

Appropriation ((~~$12,000,000~~))

 $3,258,000

TOTAL APPROPRIATION ~~$2,225,545,000~~

 $2,487,176,000

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

(1) Except as provided otherwise in this section, the entire connecting Washington account—state appropriation and the entire transportation partnership account—state appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document ((~~2017~~)) 2018-1 as developed ((~~April 20, 2017~~)) February 19, 2018, Program - Highway Improvements Program (I). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 of this act.

(2) Except as otherwise provided in this section, the entire transportation 2003 account (nickel account)—state appropriation is provided solely for the projects and activities as listed in LEAP Transportation Document ((~~2017~~)) 2018-1 as developed ((~~April 20, 2017~~)) February 19, 2018, Program – Highway Improvements Program (I).

(3) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document ((~~2017~~)) 2018-2 ALL PROJECTS as developed ((~~April 20, 2017~~)) February 19, 2018, Program - Highway Improvements Program (I). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and bridge preservation activities.

(4) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act. The department shall submit a report on fiscal year ((~~2017~~)) 2018 funds transferred using this subsection as part of the department's ((~~2018~~)) 2019 budget submittal.

(5) The connecting Washington account—state appropriation includes up to ((~~$360,433,000~~)) $314,696,000 in proceeds from the sale of bonds authorized in RCW 47.10.889.

(6) The ((~~transportation 2003~~)) motor vehicle account ((~~(nickel account)~~))—state appropriation includes up to ((~~$51,115,000~~)) $73,433,000 in proceeds from the sale of bonds authorized in RCW ((~~47.10.861~~)) 47.10.843.

(7) The transportation partnership account—state appropriation includes up to ((~~$325,748,000~~)) $475,763,000 in proceeds from the sale of bonds authorized in RCW 47.10.873. Of this amount, ((~~$122,046,000~~)) $122,047,000 must be transferred to the Alaskan Way viaduct replacement project account.

(8) ((~~$159,407,000~~)) The special category C account—state appropriation includes up to $705,000 in proceeds from the sale of bonds authorized in RCW 47.10.801.

(9) $194,258,000 of the transportation partnership account—state appropriation, $7,000 of the motor vehicle account—federal appropriation, ((~~$8,000,000~~)) $27,903,000 of the motor vehicle account—private/local appropriation, ((~~$29,100,000~~)) $30,097,000 of the transportation 2003 account (nickel account)—state appropriation, ((~~$122,046,000~~)) $122,047,000 of the Alaskan Way viaduct replacement project account—state appropriation, and ((~~$2,662,000~~)) $2,663,000 of the multimodal transportation account—state appropriation are provided solely for the SR 99/Alaskan Way Viaduct Replacement project (809936Z).

((~~(9)~~)) (10) $12,500,000 of the multimodal transportation account—state appropriation is provided solely for transit mitigation for the SR 99/Viaduct Project - Construction Mitigation project (809940B).

((~~(10)~~)) (11) Within existing resources, during the regular sessions of the legislature, the department of transportation shall participate in work sessions, before the transportation committees of the house of representatives and senate, on the Alaskan Way viaduct replacement project. These work sessions must include a report on current progress of the project, timelines for completion, outstanding claims, the financial status of the project, and any other information necessary for the legislature to maintain appropriate oversight of the project. The parties invited to present may include the department of transportation, the Seattle tunnel partners, and other appropriate stakeholders.

((~~(11) $5,804,000~~)) (12) $7,769,000 of the transportation partnership account—state appropriation, ((~~$5,162,000~~)) $5,744,000 of the transportation 2003 account (nickel account)—state appropriation, $215,000 of the motor vehicle account—federal appropriation, and ((~~$146,000~~)) $6,000,000 of the special category C account—state appropriation are provided solely for the US 395/North Spokane Corridor project (600010A). Any future savings on the project must stay on the US 395/Interstate 90 corridor and be made available to the current phase of the North Spokane corridor project or any future phase of the project in 2017-2019.

((~~(12) $26,601,000~~)) (13) $27,415,000 of the transportation partnership account—state appropriation and ((~~$10,956,000~~)) $13,158,000 of the transportation 2003 account (nickel account)—state appropriation are provided solely for the I-405/Kirkland Vicinity Stage 2 - Widening project (8BI1002). This project must be completed as soon as practicable as a design-build project. Any future savings on this project or other Interstate 405 corridor projects must stay on the Interstate 405 corridor and be made available to either the I-405/SR 167 Interchange - Direct Connector project (140504C), the I-405 Renton to Bellevue project (M00900R), or the I-405/SR 522 to I-5 Capacity Improvements project (L2000234) in the 2017-2019 fiscal biennium.

((~~(13) $1,500,000~~)) (14) $4,960,000 of the transportation partnership account—state appropriation is provided solely for preliminary engineering for adding capacity on Interstate 405 between state route number 522 and Interstate 5. The funding is a transfer from the I-405/Kirkland Vicinity Stage 2 - Widening project due to savings, and will start an additional phase of this I-405 project.

((~~(14)~~)) (15)(a) The SR 520 Bridge Replacement and HOV project (8BI1003) is supported over time from multiple sources, including a $300,000,000 TIFIA loan, $924,615,000 in Garvee bonds, toll revenues, state bonds, interest earnings, and other miscellaneous sources.

(b) ((~~$44,311,000~~)) $78,958,000 of the transportation partnership account—state appropriation ((~~is~~)), $12,296,000 of the motor vehicle account—federal appropriation, and $232,000 of the motor vehicle account—local appropriation are provided solely for the SR 520 Bridge Replacement and HOV project (8BI1003).

(c) When developing the financial plan for the project, the department shall assume that all maintenance and operation costs for the new facility are to be covered by tolls collected on the toll facility and not by the motor vehicle account.

((~~(15)~~)) (16) The department shall itemize all future requests for the construction of buildings on a project list and submit them through the transportation executive information system as part of the department's ((~~2018~~)) 2019 budget submittal. It is the intent of the legislature that new facility construction must be transparent and not appropriated within larger highway construction projects.

((~~(16)~~)) (17) Any advisory group that the department convenes during the 2017-2019 fiscal biennium must consider the interests of the entire state of Washington.

(18) It is the intent of the legislature that for the I-5 JBLM Corridor Improvements project (M00100R), the department shall actively pursue $50,000,000 in federal funds to pay for this project to supplant state funds in the future. $50,000,000 in connecting Washington account funding must be held in unallotted status during the 2021-2023 fiscal biennium. These funds may only be used after the department has provided notice to the office of financial management that it has exhausted all efforts to secure federal funds from the federal highway administration and the department of defense.

(19) ((~~$93,500,000~~)) $93,651,000 of the connecting Washington account—state appropriation ((~~is~~)) and $600,000 of the motor vehicle account—state appropriation are provided solely for the SR 167/SR 509 Puget Sound Gateway project (M00600R).

(a) Any savings on the project must stay on the Puget Sound Gateway corridor until the project is complete.

(b) Proceeds from the sale of any surplus real property acquired for the purpose of building the SR 167/SR 509 Puget Sound Gateway (M00600R) project must be deposited into the motor vehicle account for the purpose of constructing the project.

(20)(a) In making budget allocations to the Puget Sound Gateway project, the department shall implement the project's construction as a single corridor investment. The department shall develop a coordinated corridor construction and implementation plan for state route number 167 and state route number 509 in collaboration with affected stakeholders. Specific funding allocations must be based on where and when specific project segments are ready for construction to move forward and investments can be best optimized for timely project completion. Emphasis must be placed on avoiding gaps in fund expenditures for either project.

(b) The secretary of transportation must develop a memorandum of understanding with local project stakeholders that identifies a schedule for stakeholders to provide local matching funds for the Puget Sound Gateway project. Criteria for eligibility of local match includes matching funds and equivalent in-kind contributions including, but not limited to, land donations. The memorandum of understanding must be finalized by July 1, 2018. The department must submit a copy of the memorandum of understanding to the transportation committees of the legislature and report regularly on the status of the requirements outlined in this subsection (20)(b) and (c) of this subsection.

(c) During the course of developing the memorandum of understanding, the department must evaluate the project schedules to determine if there are any benefits to be gained by moving the project schedule forward. ((~~Additionally, the department must consider completing~~)) It is the legislature's intent that if the department identifies any savings after the funding gap on the base project is closed as part of the proposal to expedite the project, that these cost savings shall go toward construction of a full single-point urban interchange at the junction of state route number 161 (Meridian avenue) and state route number 167 and a full single-point urban interchange at the junction of state route number 509 and 188th Street. If the department receives additional funds from an outside source for this project after the funding gap on the base project is closed, the funds must be applied toward the completion of these two full single-point urban interchanges.

(d) $600,000 of the motor vehicle account—state appropriation provided in subsection (19) of this section is provided solely for planning and preliminary engineering for a full single-point urban interchange at the junction of state route number 161 (Meridian avenue) and state route number 167.

(e) For the SR 167/SR 509 Puget Sound Gateway project (M00600R) the department is strongly encouraged to work with Poulsbo RV to find a location within the Kent city limits in its work to retain a recreational vehicle dealership in the path of the state route number 509/Interstate 5 under-crossing. The department shall provide regular updates on its progress to the joint transportation committee and affected stakeholders.

(f) In designing the state route number 509/state route number 516 interchange component of the SR 167/SR 509 Puget Sound Gateway project (M00600R), the department shall make every effort to utilize the preferred "4B" design.

(21) It is the intent of the legislature that, for the I-5/North Lewis County Interchange project (L2000204), the department develop and design the project with the objective of significantly improving access to the industrially zoned properties in north Lewis county. The design must consider the county's process of investigating alternatives to improve such access from Interstate 5 that began in March 2015.

(22) ((~~$600,000~~)) $942,000 of the motor vehicle account—state appropriation is provided solely for the department to complete an interchange justification report (IJR) for the U.S. 2 trestle (L1000158), covering the state route number 204 and 20th Street interchanges at the end of the westbound structure.

(a) The department shall develop the IJR in close collaboration with affected local jurisdictions, including Snohomish county and the cities of Everett, Lake Stevens, Marysville, Snohomish, and Monroe.

(b) Within the amount provided for the IJR, the department must address public outreach and the overall operational approval of the IJR.

(c) The department shall complete the IJR and submit the final report to the governor and the transportation committees of the legislature by July 1, 2018.

(23)(a) The legislature recognizes that the city of Mercer Island has unique access issues that require the use of Interstate 90 to leave the island and that this access may be affected by the I-90/Two-Way Transit and HOV Improvements project. One of the most heavily traveled on-ramps from Mercer Island to the westbound Interstate 90 general purpose lanes is from Island Crest Way. The department must continue to consult with the city of Mercer Island and the other signatories to the 1976 memorandum of agreement to preserve access provided to Mercer Island by the Island Crest Way on-ramp, and thus grandfather in the current use of the on-ramp for both high occupancy vehicles as well as vehicles seeking to access the general purpose lanes of Interstate 90. The department must consider all reasonable access solutions, including allowing all vehicles to use the Island Crest Way on-ramp to access the new high occupancy vehicle lane with a reasonable and safe distance provided for single-occupancy vehicles to merge into the general purpose lanes.

(b) A final access solution for Mercer Island must consider the following criteria: Safety; operational effects on all users, including maintaining historic access to Interstate 90 provided from Mercer Island by Island Crest Way; enforcement requirements; and compliance with state and federal law.

(c) The department may not restrict by occupancy the westbound on-ramp from Island Crest Way until a final access solution that meets the criteria in (b) of this subsection has been reached.

(24) ((~~$2,000,000~~)) $3,258,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for the I-405 NB Hard Shoulder Running – SR 527 to I-5 project (L1000163).

(25) The legislature finds that there are sixteen companies involved in wood preserving in the state that employ four hundred workers and have an annual payroll of fifteen million dollars. Before the department's switch to steel guardrails, ninety percent of the twenty-five hundred mile guardrail system was constructed of preserved wood and one hundred ten thousand wood guardrail posts were produced annually for state use. Moreover, the policy of using steel posts requires the state to use imported steel. Given these findings, where practicable, and until June 30, 2019, the department shall include the design option to use wood guardrail posts, in addition to steel posts, in new guardrail installations. The selection of posts must be consistent with the agency design manual policy that existed before December 2009.

(26) For the SR 526 Corridor Improvements project (N52600R), the department shall look holistically at the state route number 526 corridor from the state route number 526/Interstate 5 interchange at the east end to the southwest Everett industrial area and Boeing's west access road on the west end. The department, working with affected jurisdictions and stakeholders, shall select project elements that best maximize mobility and congestion relief in the corridor and draw from project elements identified in a practical solutions process.

(27) ((~~It is the intent of the legislature that for the I-5/Slater Road Interchange - Improvements project (L1000099), $2,000,000 of connecting Washington account~~—~~state funds be added in the 2021-2023 fiscal biennium and $10,100,000 of connecting Washington account~~—~~state funds be added in the 2023-2025 fiscal biennium, and that the LEAP transportation document referenced in subsection (1) of this section be updated accordingly.~~

~~(28)~~))(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance one or more of the following projects:

(i) SR 20/Sharpes Corner Vicinity Intersection (L1000112);

(ii) I-5/Marvin Road/SR 510 Interchange (L1100110);

(iii) I-5/Northbound On-ramp at Bakerview (L2000119);

(iv) US 395/Ridgeline Intersection (L2000127);

(v) I-90/Eastside Restripe Shoulders (L2000201);

(vi) SR 240/Richland Corridor Improvements (L2000202);

(vii) SR 14/Bingen Overpass (L2220062);

(viii) US Hwy 2 Safety (N00200R);

(ix) SR 520/148th Ave NE Overlake Access Ramp (L1100101);

(x) SR 28/SR 285 North Wenatchee Area Improvements (L2000061);

(xi) I-5/Rebuild Chambers Way Interchange Improvements (L2000223);

(xii) SR 28 East Wenatchee Corridor Improvements (T10300R);

(xiii) SR 3/Belfair Bypass – New Alignment (T30400R); or

(xiv) SR 510/Yelm Loop Phase 2 (T32700R).

(b) At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

((~~(29)~~)) (28) Within existing resources and in consultation with local communities, the department shall begin planning efforts, including traffic data collection, analysis and evaluation, scoping, and environmental review, for roundabouts at the intersection of state route number 900 and SE May Valley Road and at the intersection of state route number 169 and Cedar Grove Road SE.

((~~(30) Among the options studied as part of the SR 410 Corridor Study project (L1000174), the department shall examine the mobility and safety benefits of replacing or expanding the White River bridge between Enumclaw and Buckley to four lanes and removing the trestle.~~)) (29) Within the existing appropriation, the department shall support the planning and work of the joint Oregon-Washington legislative action committee, and engage key agency stakeholders to develop a scope, a schedule, and a budget that will reinvigorate the bistate effort for a future Replacement Bridge on Interstate 5 across the Columbia River project (L2000259). This work is in preparation for the 2019 legislative budget cycle.

(30) The legislature continues to prioritize the replacement of the state's aging infrastructure and recognizes the importance of reusing and recycling construction aggregate and recycled concrete materials in our transportation system.

To accomplish Washington state's sustainability goals in transportation and in accordance with RCW 70.95.805, the legislature reaffirms its direction to the department to lead the way in advancing the reuse and recycling of construction aggregate and recycled concrete materials whenever readily available, to use these recycled products when cost competitive, and to work with industry implementation partners to remove obstacles that unnecessarily preclude or inhibit their use and implement strategies for the reuse and recycling of construction aggregate and recycled concrete materials.

Specific steps and efforts made to achieve these objectives and accomplishments shall be included in the annual report to the legislature as required by RCW 70.95.807.

(31) Within existing resources, the department shall implement a safety solution after evaluating barrier and mitigation options on state route number 167 between the intersections with 50th Ave E and E 40th Street in Pierce county to prevent vehicles from leaving the roadway and entering private property below the grade of the highway.

(32) It is the intent of the legislature that the title of the SR 3/Belfair Bypass - New Alignment project (T30400R) be changed to SR 3 Freight Corridor on the list referenced in subsection (1) of this section.

**Sec.**  2017 c 313 s 307 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—PRESERVATION—PROGRAM P**

Recreational Vehicle Account—State Appropriation ((~~$2,480,000~~))

 $3,584,000

High Occupancy Toll Lanes Operations Account—State

Appropriation $161,000

Transportation Partnership Account—State

Appropriation ((~~$204,000~~))

 $2,785,000

Motor Vehicle Account—State Appropriation ((~~$49,192,000~~))

 $63,246,000

Motor Vehicle Account—Federal Appropriation ((~~$515,368,000~~))

 $579,624,000

Motor Vehicle Account—Private/Local Appropriation ((~~$10,400,000~~))

 $11,739,000

State Route Number 520 Corridor Account—State

Appropriation ((~~$498,000~~))

 $1,747,000

Connecting Washington Account—State Appropriation ((~~$185,030,000~~))

 $204,242,000

Tacoma Narrows Toll Bridge Account—State Appropriation ((~~$384,000~~))

 $856,000

Transportation 2003 Account (Nickel Account)—State

Appropriation ((~~$58,894,000~~))

 $57,849,000

TOTAL APPROPRIATION ~~$822,450,000~~

 $925,833,000

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

(1) Except as provided otherwise in this section, the entire connecting Washington account—state appropriation and the entire transportation partnership account—state appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document ((~~2017~~)) 2018-1 as developed ((~~April 20, 2017~~)) February 19, 2018, Program - Highway Preservation Program (P). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 of this act.

(2) Except as otherwise provided in this section, the entire transportation 2003 account (nickel account)—state appropriation is provided solely for the projects and activities as listed in LEAP Transportation Document ((~~2017~~)) 2018-1 as developed ((~~April 20, 2017~~)) February 19, 2018, Program – Highway Preservation Program (P).

(3) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document ((~~2017~~)) 2018-2 ALL PROJECTS as developed ((~~April 20, 2017~~)) February 19, 2018, Program - Highway Preservation Program (P). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and bridge preservation activities.

(4) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act. The department shall submit a report on fiscal year ((~~2017~~)) 2018 funds transferred using this subsection as part of the department's ((~~2018~~)) 2019 budget submittal.

(5) The transportation 2003 account (nickel account)—state appropriation includes up to ((~~$13,395,000~~)) $53,546,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

(6) ((~~$7,200,000~~)) $11,553,000 of the connecting Washington account—state appropriation is provided solely for the land mobile radio upgrade (G2000055) and is subject to the conditions, limitations, and review provided in section 701 ((~~of this act~~)), chapter 313, Laws of 2017. The land mobile radio project is subject to technical oversight by the office of the chief information officer. The department, in collaboration with the office of the chief information officer, shall identify where existing or proposed mobile radio technology investments should be consolidated, identify when existing or proposed mobile radio technology investments can be reused or leveraged to meet multiagency needs, increase mobile radio interoperability between agencies, and identify how redundant investments can be reduced over time. The department shall also provide quarterly reports to the technology services board on project progress.

(7) $3,000,000 of the motor vehicle account—state appropriation is provided solely for extraordinary costs incurred from litigation awards, settlements, or dispute mitigation activities not eligible for funding from the self-insurance fund. The amount provided in this subsection must be held in unallotted status until the department submits a request to the office of financial management that includes documentation detailing litigation-related expenses. The office of financial management may release the funds only when it determines that all other funds designated for litigation awards, settlements, and dispute mitigation activities have been exhausted. No funds provided in this subsection may be expended on any legal fees related to the SR 99/Alaskan Way viaduct replacement project.

(8) ((~~$22,620,000~~)) $20,755,000 of the motor vehicle account—federal appropriation and ((~~$663,000~~)) $844,000 of the motor vehicle account—state appropriation are provided solely for the preservation of structurally deficient bridges or bridges that are at risk of becoming structurally deficient. These funds must be used widely around the state of Washington. When practicable, the department shall pursue design-build contracts for these bridge projects to expedite delivery. The department shall provide a report that identifies the progress of each project funded in this subsection as part of its ((~~2018~~)) 2019 agency budget request.

(9) The appropriation in this section includes funding for starting planning, engineering, and construction of the Elwha River bridge replacement. To the greatest extent practicable, the department shall maintain public access on the existing route.

(10)(a) ((~~$4,820,000~~)) $9,014,000 of the motor vehicle account—federal appropriation and ((~~$182,000~~)) $217,000 of the motor vehicle account—state appropriation are provided solely for weigh station preservation (0BP3006). These amounts must be held in unallotted status, except that the director of the office of financial management may approve allotment of the funds upon fulfillment of the conditions of (b) of this subsection.

(b) The department and the Washington state patrol shall jointly submit a prioritized list of weigh station projects to the office of financial management by October 1, 2017. Projects submitted must include estimated costs for preliminary engineering, rights-of-way, and construction and must also consider the timing of any available funding for weigh station projects.

(11) The department must consult with the Washington state patrol and the office of financial management during the design phase of any improvement or preservation project that could impact Washington state patrol weigh station operations. During the design phase of any such project, the department must estimate the cost of designing around the affected weigh station's current operations, as well as the cost of moving the affected weigh station.

(12) During the course of any planned resurfacing or other preservation activity on state route number 26 between Colfax and Othello in the 2017-2019 fiscal biennium, the department must add dug-in reflectors.

(13) The department shall continue to monitor the test patch of pavement that used electric arc furnace slag as an aggregate and report back to the legislature by December 1, 2018, on its comparative wear resistance, skid resistance, and feasibility for use throughout the state in new pavement construction.

(14) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance the US 12/Wildcat Bridge Replacement project (L2000075). At least ten business days before advancing the project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of the project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

(15) Within the connecting Washington account—state appropriation, the department may transfer funds from Highway System Preservation (L1100071) to other preservation projects listed in the LEAP transportation document identified in subsection (1) of this section, if it is determined necessary for completion of these high priority preservation projects. The department's next budget submittal after using this subsection must appropriately reflect the transfer.

**Sec.**  2017 c 313 s 308 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—CAPITAL**

Motor Vehicle Account—State Appropriation ((~~$4,913,000~~))

 $6,636,000

Motor Vehicle Account—Federal Appropriation ((~~$5,106,000~~))

 $5,566,000

Motor Vehicle Account—Private/Local Appropriation ((~~$500,000~~))

 $649,000

TOTAL APPROPRIATION ~~$10,519,000~~

 $12,851,000

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

(1) The department shall set aside a sufficient portion of the motor vehicle account—state appropriation for federally selected competitive grants or congressional earmark projects that require matching state funds. State funds set aside as matching funds for federal projects must be accounted for in project 000005Q and remain in unallotted status until needed for those federal projects.

(2) $30,000 of the motor vehicle account—state appropriation is provided solely for flashing school zone warning signs on state route number 141 in Trout Lake.

**Sec.**  2017 c 313 s 309 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W**

Puget Sound Capital Construction Account—State

Appropriation ((~~$59,924,000~~))

 $71,974,000

Puget Sound Capital Construction Account—Federal

Appropriation ((~~$152,838,000~~))

 $205,032,000

Multimodal Transportation Account—State Appropriation $2,734,000

Transportation 2003 Account (Nickel)—State

Appropriation $4,169,000

Puget Sound Capital Construction Account—Private/Local

Appropriation ((~~$15,654,000~~))

 $27,196,000

Transportation Partnership Account—State

Appropriation $2,923,000

Connecting Washington Account—State Appropriation ((~~$142,837,000~~))

 $136,918,000

TOTAL APPROPRIATION ~~$374,176,000~~

 $450,946,000

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed in LEAP Transportation Document ((~~2017~~)) 2018-2 ALL PROJECTS as developed ((~~April 20, 2017~~)) February 19, 2018, Program - Washington State Ferries Capital Program (W) and is contingent upon the enactment of subsection (6) of this section.

(2) ((~~$26,252,000~~)) $27,825,000 of the Puget Sound capital construction account—federal appropriation, $1,483,000 of the Puget Sound capital construction account—state appropriation and ((~~$63,804,000~~)) $44,485,000 of the connecting Washington account—state appropriation are provided solely for the Mukilteo ferry terminal (952515P). To the greatest extent practicable and within available resources, the department shall design the new terminal to be a net-zero energy building. To achieve this goal, the department shall evaluate using highly energy efficient equipment and systems, and the most appropriate renewable energy systems for the needs and location of the terminal. To the extent practicable, the department shall avoid the closure of, or disruption to, any existing public access walkways in the vicinity of the terminal project during construction. Of the amounts provided in this subsection, $750,000 of the Puget Sound capital construction account—state appropriation is provided solely for additional photovoltaic panels for this project.

(3) ((~~$61,729,000~~)) $94,671,000 of the Puget Sound capital construction account—federal appropriation, ((~~$36,529,000~~)) $46,919,000 of the connecting Washington account—state appropriation, and ((~~$15,554,000~~)) $26,949,000 of the Puget Sound capital construction account—private/local appropriation are provided solely for the Seattle Terminal Replacement project (900010L).

(4) $5,000,000 of the Puget Sound capital construction account—state appropriation is provided solely for emergency capital repair costs (999910K). Funds may only be spent after approval by the office of financial management.

(5) ((~~$775,000~~)) $950,000 of the Puget Sound capital construction account—state appropriation is provided solely for life extension of the existing ticketing system and ORCA acceptance (998521A and 998521B). The ferry system shall work with Washington technology solutions and the tolling division on the development of a new, interoperable ticketing system.

(6)(a) The department shall, in consultation with the office of financial management, hire an independent planning consultant to assist with overall scope development of a new ferry system long-range plan, including incorporating the items listed in (b) of this subsection. The independent planning consultant must have experience in planning for other ferry systems.

(b) The department shall update the ferries division long-range plan by January 1, 2019. In reviewing the changing needs of the users of the ferry system and the associated funding opportunities and challenges, the department must include, but is not limited to, the following elements in the new long-range plan:

(i) Identify changes in the demographics of users of the system;

(ii) Review route timetables and propose adjustments that take into consideration ridership volume, vessel load times, proposed and current passenger-only ferry system ridership, and other operational needs;

(iii) Review vessel needs by route and propose a vessel replacement schedule, vessel retirement schedule, and estimated number of vessels needed. This analysis should also articulate a reserve vessel strategy;

(iv) Identify the characteristics most appropriate for replacement vessels, such as passenger and car-carrying capacity, while taking into consideration other cost-driving factors. These factors should include:

(A) Anticipated crewing requirements;

(B) Fuel type;

(C) Other operating and maintenance costs;

(v) Review vessel dry dock needs, consider potential impacts of the United States navy, and propose strategies to meet these needs;

(vi) Address the seismic vulnerability of the system and articulate emergency preparedness plans;

(vii) Evaluate leased and state-owned property locations for the ferry headquarters, to include an analysis of properties outside the downtown area of Seattle;

(viii) Evaluate strategies that may help spread peak ridership, such as time-of-day ticket pricing and expanding the reservation system; and

(ix) Identify operational changes that may reduce costs, such as nighttime tie-up locations.

(c) The department shall submit a status report on the long-range plan update to the governor and the transportation committees of the legislature by June 30, 2018, and a final report by January 1, 2019.

(7) The department of transportation must apply to the department of ecology for grants funded by the Volkswagen "clean diesel" marketing, sales practice, and products liability litigation settlement. The department must apply for funding for projects that electrify public-sector ferries and for shore power projects. The department must work with the department of ecology to select projects for funding.

(8) $600,000 of the Puget Sound capital construction account—state appropriation is provided solely for development of a request for proposals to convert the three ferry vessels in the Jumbo Mark II class to hybrid electric propulsion and make associated necessary modifications to the Seattle, Bainbridge, Edmonds, and Kingston terminals. The department is directed to explore capital project financing options to include, but not be limited to, federal funding opportunities, private or local contributions, application for Volkswagen settlement funds, and energy-savings performance contracting to be repaid in whole or in part by fuel-cost savings. The department shall report total capital cost estimates, optimal construction schedule, annual capital and operating savings or costs, and a recommended funding option to the governor and to the transportation committees of the legislature by June 30, 2019.

(9)(a)(i) $100,000 of the Puget Sound capital construction account—state appropriation is provided solely to issue a request for proposals for a design-build, finance, and supply contract to fully convert one ferry of the department's choosing to be powered by liquefied natural gas. "Design-build, finance, and supply contract" means a contract in which the responsibility for the design, construction, financing, and fuel supply of the vessel lies totally with the successful bidder. The successful bidder awarded the contract must be able to: Offer detailed design and engineering services, with a proven capability to design and engineer vessels using liquefied natural gas as a fuel source; attain United States coast guard approval regarding vessel safety and other requirements to meet all regulatory requirements for the use of liquefied natural gas as a fuel in this type of service; acquire engines that use, or upgrade existing engines to use, liquefied natural gas as a fuel source; perform all design and engineering; and act as construction management for the shipyard conversion work. The successful bidder must supply a dependable and suitable source of liquefied natural gas for the vessel taking into account the vessel's operating schedule and demands. The successful bidder must provide public outreach and education regarding the conversion of ferry vessels. The department must give consideration to the inability of the state to fund a liquefied natural gas conversion using currently available public resources, and the request for proposals must include incentives for proposals that include alternative financing arrangements, such as using a long-term fuel contract as a payment method. The request for proposals must be issued by the department by July 1, 2018.

(ii) If the department pursues a conversion of a ferry of its choosing to be powered by liquefied natural gas, the department must use a design-build procurement process that requires a fixed-price contract. All vessel design specifications and drawings must be complete and, when applicable, meet United States coast guard rules and regulatory requirements for this type of service before the start of construction. All vessel design specifications and drawings must be agreed to by the department and the successful bidder before the start of construction.

(b)(i) Within thirty days of the effective date of this section, the department must issue a solicitation for a request for proposals to award a contract to the successful bidder that will design, engineer, and convert a Washington state ferry of the department's choosing to operate on liquefied natural gas as a propulsion fuel under a fixed-price contract. The request for proposals process must include, at least, the following:

(A) Solicitation of a proposal to convert one ferry of the department's choosing to operate on liquefied natural gas as a propulsion fuel, including all requirements and specifications required by the state;

(B) A copy of the contract that will be signed by the successful bidder;

(C) The date by which proposals must be received by the department to be considered;

(D) A description of information to be submitted in the proposals concerning each proposer's qualifications;

(E) A requirement that proposers offer design and engineering specifications in sufficient detail to fully convert the existing diesel powered ferry to use liquefied natural gas as a fuel source and a time of redelivery of the completed vessel to the department;

(F) A requirement that the contract for this conversion be both design-build, finance, and supply and fixed price and that the successful bidder will be responsible for the performance of the work to convert the existing diesel powered ferry to use liquefied natural gas as a fuel source;

(G) A requirement that the successful bidder comply with all applicable laws, rules, and regulations including, but not limited to, those pertaining to the environment, worker health and safety, and prevailing wages;

(H) A requirement that the successful bidder obtains United States coast guard approval regarding vessel safety and other requirements to meet regulatory requirements for the fueling and use of liquefied natural gas as a fuel in this type of service;

(I) A requirement that the conversion of the vessel be accomplished within the boundaries of the Puget Sound and associated waterways and within the state of Washington;

(J) A requirement that all vessel design and engineering specifications and drawings must be complete and, when applicable, meet United States coast guard rules and regulatory requirements for this service before the start of construction;

(K) A requirement that all vessel design and engineering specifications and drawings must be agreed to by the department before the start of construction;

(L) A requirement that the successful bidder supplies a dependable and suitable source of liquefied natural gas that takes into account the vessel's operating schedule and demands;

(M) A requirement that the successful bidder provides public outreach and education regarding the conversion of ferry vessels to the use of liquefied natural gas as a fuel source; and

(N) Incentives for proposals that include alternative financing arrangements, such as using a long-term fuel payment method.

(ii) The department must supply a condition survey of any nominated vessel constructed before 2007 to each qualified proposer under the request for proposals process. The survey must completely depict all current conditions of the structural, mechanical, and electrical systems of the vessel as well as all essential systems. The department must make available a complete set of current plans and specifications for the vessel. The department must make the vessel available to prospective proposers at a time that is convenient to the department and is no later than three weeks before the date by which proposals must be received by the department.

(iii) The department must make available a complete set of plans and specifications for any nominated vessel to proposers no later than three weeks before the date by which proposals must be received by the department.

**Sec.**  2017 c 313 s 310 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—CAPITAL**

Essential Rail Assistance Account—State Appropriation ((~~$424,000~~))

 $845,000

Transportation Infrastructure Account—State

Appropriation ((~~$5,367,000~~))

 $7,575,000

Multimodal Transportation Account—State

Appropriation ((~~$51,665,000~~))

 $74,707,000

Multimodal Transportation Account—Federal

Appropriation ((~~$1,487,000~~))

 $59,814,000

TOTAL APPROPRIATION ~~$58,943,000~~

 $142,941,000

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document ((~~2017~~)) 2018-2 ALL PROJECTS as developed ((~~April 20, 2017~~)) February 19, 2018, Program - Rail Program (Y).

(2) ((~~$5,000,000~~)) $7,009,000 of the transportation infrastructure account—state appropriation is provided solely for new low-interest loans approved by the department through the freight rail investment bank (FRIB) program. The department shall issue FRIB program loans with a repayment period of no more than ten years, and charge only so much interest as is necessary to recoup the department's costs to administer the loans. The department shall report annually to the transportation committees of the legislature and the office of financial management on all FRIB loans issued.

(3) $7,017,000 of the multimodal transportation account—state appropriation and $24,000 of the essential rail assistance account—state appropriation are provided solely for new statewide emergent freight rail assistance projects identified in the LEAP transportation document referenced in subsection (1) of this section.

(4) $367,000 of the transportation infrastructure account—state appropriation and $1,100,000 of the multimodal transportation account—state appropriation are provided solely to reimburse Highline Grain, LLC for approved work completed on Palouse River and Coulee City (PCC) railroad track in Spokane county between the BNSF Railway Interchange at Cheney and Geiger Junction and must be administered in a manner consistent with freight rail assistance program projects. The value of the public benefit of this project is expected to meet or exceed the cost of this project in: Shipper savings on transportation costs; jobs saved in rail-dependent industries; and/or reduced future costs to repair wear and tear on state and local highways due to fewer annual truck trips (reduced vehicle miles traveled). The amounts provided in this subsection are not a commitment for future legislatures, but it is the legislature's intent that future legislatures will work to approve biennial appropriations until the full $7,337,000 cost of this project is reimbursed.

(5)(a) ((~~$400,000~~)) $686,000 of the essential rail assistance account—state appropriation and ((~~$305,000~~)) $422,000 of the multimodal transportation account—state appropriation are provided solely for the purpose of the rehabilitation and maintenance of the Palouse river and Coulee City railroad line (F01111B).

(b) Expenditures from the essential rail assistance account—state in this subsection may not exceed the combined total of:

(i) Revenues and transfers deposited into the essential rail assistance account from leases and sale of property ((~~pursuant to RCW 47.76.290~~)) relating to the Palouse river and Coulee City railroad; and

(ii) Revenues transferred from the miscellaneous program account to the essential rail assistance account, pursuant to RCW 47.76.360, for the purpose of sustaining the grain train program by maintaining the Palouse river and Coulee City railroad.

(6) The department shall issue a call for projects for the freight rail assistance program, and shall evaluate the applications in a manner consistent with past practices as specified in section 309, chapter 367, Laws of 2011. By November 15, 2018, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

(7) For projects funded as part of the 2015 connecting Washington transportation package identified on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance the South Kelso Railroad Crossing project (L1000147). At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

**Sec.**  2017 c 313 s 311 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—CAPITAL**

Highway Infrastructure Account—State Appropriation ((~~$293,000~~))

 $1,083,000

Highway Infrastructure Account—Federal Appropriation ((~~$218,000~~))

 $488,000

Transportation Partnership Account—State

Appropriation ((~~$1,143,000~~))

 $2,321,000

Highway Safety Account—State Appropriation ((~~$2,388,000~~))

 $4,287,000

Motor Vehicle Account—State Appropriation ((~~$15,080,000~~))

 $22,374,000

Motor Vehicle Account—Federal Appropriation ((~~$65,187,000~~))

 $71,614,000

Motor Vehicle Account—Private/Local Appropriation $18,000,000

Connecting Washington Account—State Appropriation ((~~$118,293,000~~))

 $134,387,000

Multimodal Transportation Account—State

Appropriation ((~~$56,079,000~~))

 $80,777,000

TOTAL APPROPRIATION ~~$276,681,000~~

 $335,331,000

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document ((~~2017~~)) 2018-2 ALL PROJECTS as developed ((~~April 20, 2017~~)) February 19, 2018, Program - Local Programs Program (Z).

(2) The amounts identified in the LEAP transportation document referenced under subsection (1) of this section for pedestrian safety/safe routes to school are as follows:

(a) $18,380,000 of the multimodal transportation account—state appropriation is provided solely for newly selected pedestrian and bicycle safety program projects. ((~~$6,432,000~~)) $14,219,000 of the multimodal transportation account—state appropriation and ((~~$1,143,000~~)) $1,846,000 of the transportation partnership account—state appropriation are reappropriated for pedestrian and bicycle safety program projects selected in the previous biennia (L2000188).

(b) $11,400,000 of the motor vehicle account—federal appropriation and $7,750,000 of the multimodal transportation account—state appropriation are provided solely for newly selected safe routes to school projects. ((~~$6,372,000~~)) $11,181,000 of the motor vehicle account—federal appropriation, ((~~$923,000~~)) $1,394,000 of the multimodal transportation account—state appropriation, and ((~~$2,388,000~~)) $4,287,000 of the highway safety account—state appropriation are reappropriated for safe routes to school projects selected in the previous biennia (L2000189). The department may consider the special situations facing high-need areas, as defined by schools or project areas in which the percentage of the children eligible to receive free and reduced-price meals under the national school lunch program is equal to, or greater than, the state average as determined by the department, when evaluating project proposals against established funding criteria while ensuring continued compliance with federal eligibility requirements.

(3) The department shall submit a report to the transportation committees of the legislature by December 1, 2017, and December 1, 2018, on the status of projects funded as part of the pedestrian safety/safe routes to school grant program. The report must include, but is not limited to, a list of projects selected and a brief description of each project's status.

(4) ((~~$18,741,000~~)) $30,484,000 of the multimodal transportation account—state appropriation is provided solely for bicycle and pedestrian projects listed in the LEAP transportation document referenced in subsection (1) of this section.

(5) $43,800,000 of the motor vehicle account—federal appropriation is provided solely for national highway freight network projects identified on the project list submitted in accordance with section 218(4)(b), chapter 14, Laws of 2016 on October 31, 2016. The department shall validate the projects on the list. Only tier one projects on the prioritized freight project list that are validated by the department may receive funding under this subsection. The department shall continue to work with the Washington state freight advisory committee to improve project screening and validation to support project prioritization and selection, including during the freight mobility plan update in 2017. The department may compete for funding under this program and shall provide an updated prioritized freight project list when submitting its 2019-2021 budget request. To the greatest extent practicable, the department shall follow the Washington state freight advisory committee recommendation to allocate ten percent of the funds in this subsection to multimodal projects as permitted under the fixing America's surface transportation (FAST) act.

(6) It is the expectation of the legislature that the department will be administering a local railroad crossing safety grant program for $7,400,000 in federal funds during the 2017-2019 fiscal biennium. Of the amounts identified in this subsection, a minimum of $500,000 must be for railroad grade-crossing safety grants at locations where multiple pedestrian or bicyclist fatalities have occurred in the vicinity of a grade-crossing in the last five years.

(7) $8,000,000 of the connecting Washington account—state appropriation is provided solely for the Covington Connector (L2000104). The amounts described in the LEAP transportation document referenced in subsection (1) of this section are not a commitment by future legislatures, but it is the legislature's intent that future legislatures will work to approve appropriations in the 2019-2021 fiscal biennium to reimburse the city of Covington for approved work completed on the project up to the full $24,000,000 cost of this project.

(8)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance one or more of the following projects:

(i) SR 502 Main Street Project/Widening (L2000065);

(ii) Complete SR 522 Improvements-Kenmore (T10600R);

(iii) Issaquah-Fall City Road (L1000094);

(iv) Lewis Street Bridge (L2000066);

(v) Covington Connector (L2000104);

(vi) Orchard Street Connector (L2000120);

(vii) Harbour Reach Extension (L2000136);

(viii) Sammamish Bridge Corridor (L2000137);

(ix) Brady Road (L2000164);

(x) Thornton Road Overpass (L2000228);

(xi) I-5/Port of Tacoma Road Interchange (L1000087);

(xii) Wilburton Reconnection Project (G2000006);

(xiii) SR 520 Trail Grade Separation at 40th Street (G2000013);

(xiv) Bay Street Pedestrian Project (G2000015); or

(xv) Cowiche Canyon Trail (G2000010).

(b) At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

(9) $1,500,000 of the motor vehicle account—state appropriation is provided solely for the Spokane Valley Barker/Trent grade separation project.

(10) $280,000 of the motor vehicle account—state appropriation is provided solely for the Woodin Avenue bridge one-way conversion project in Chelan.

(11) The list identified in subsection (1) of this section is modified to remove project (L2000269) - 156th Street NE Overcrossing and move the associated $500,000 in funding to the design of (L2000282) - the Grove Street Overcrossing project in Marysville.

**Sec.**  2017 c 313 s 312 (uncodified) is amended to read as follows:

**ANNUAL REPORTING REQUIREMENTS FOR CAPITAL PROGRAM**

(1) As part of its budget submittal for the ((~~2018 supplemental~~)) 2019 biennial budget, the department of transportation shall provide an update to the report provided to the legislature in 2017 that: (a) Compares the original project cost estimates approved in the 2003, 2005, and 2015 revenue package project lists to the completed cost of the project, or the most recent legislatively approved budget and total project costs for projects not yet completed; (b) identifies highway projects that may be reduced in scope and still achieve a functional benefit; (c) identifies highway projects that have experienced scope increases and that can be reduced in scope; (d) identifies highway projects that have lost significant local or regional contributions that were essential to completing the project; and (e) identifies contingency amounts allocated to projects.

(2) As part of its budget submittal for the ((~~2018 supplemental~~)) 2019 biennial budget, the department of transportation shall provide: (a) An annual report on the number of toll credits the department has accumulated and how the department has used the toll credits, and (b) a status report on the projects funded using federal national highway freight program funds.

**TRANSFERS AND DISTRIBUTIONS**

**Sec.**  2017 c 313 s 401 (uncodified) is amended to read as follows:

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

Transportation Partnership Account—State

Appropriation ((~~$2,239,000~~))

 $2,540,000

Connecting Washington Account—State Appropriation ((~~$1,802,000~~))

 $1,583,000

Highway Bond Retirement Account—State

Appropriation ((~~$1,238,072,000~~))

 $1,269,294,000

Ferry Bond Retirement Account—State Appropriation $28,873,000

Transportation Improvement Board Bond Retirement

Account—State Appropriation $13,254,000

Nondebt-Limit Reimbursable Bond Retirement

Account—State Appropriation ((~~$26,609,000~~))

 $26,391,000

Special Category C Account—State Appropriation $4,000

Motor Vehicle Account—State Appropriation $369,000

Toll Facility Bond Retirement Account—State

Appropriation $86,493,000

Transportation 2003 Account (Nickel Account)—State

Appropriation ((~~$323,000~~))

 $339,000

TOTAL APPROPRIATION ~~$1,397,665,000~~

 $1,429,140,000

**Sec.**  2017 c 313 s 402 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES**

Special Category C Account—State Appropriation $1,000

Motor Vehicle Account—State Appropriation $74,000

Transportation Partnership Account—State

Appropriation ((~~$448,000~~))

 $518,000

Connecting Washington Account—State Appropriation ((~~$360,000~~))

 $317,000

Transportation 2003 Account (Nickel Account)—State

Appropriation ((~~$65,000~~))

 $72,000

TOTAL APPROPRIATION ~~$873,000~~

 $982,000

**Sec.**  2017 c 313 s 404 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION**

Motor Vehicle Account—State Appropriation:

For motor vehicle fuel tax distributions to

cities and counties ((~~$514,648,000~~))

 $508,182,000

**Sec.**  2017 c 313 s 406 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—TRANSFERS**

Motor Vehicle Account—State Appropriation:

For motor vehicle fuel tax refunds and

statutory transfers ((~~$2,196,693,000~~))

 $2,145,972,000

**Sec.**  2017 c 313 s 407 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING—TRANSFERS**

Motor Vehicle Account—State Appropriation:

For motor vehicle fuel tax refunds and

transfers ((~~$200,747,000~~))

 $203,535,000

**Sec.**  2017 c 313 s 408 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS**

(1) ((~~State Patrol Highway Account—State~~

~~Appropriation: For transfer to the Connecting~~

~~Washington Account—State~~ ~~$21,221,000~~

~~(2)~~)) Transportation Partnership Account—State

Appropriation: For transfer to the Connecting

Washington Account—State $10,946,000

((~~(3)~~)) (2) Highway Safety Account—State

Appropriation: For transfer to the Multimodal

Transportation Account—State ((~~$57,000,000~~))

 $3,000,000

((~~(4)~~)) (3) Motor Vehicle Account—State Appropriation:

For transfer to the Connecting Washington

Account—State $56,464,000

((~~(5)~~)) (4) Motor Vehicle Account—State Appropriation:

For transfer to the Freight Mobility Investment

Account—State $8,511,000

((~~(6)~~)) (5) Motor Vehicle Account—State Appropriation:

For transfer to the Puget Sound Capital

Construction Account—State $20,000,000

((~~(7)~~)) (6) Motor Vehicle Account—State Appropriation:

For transfer to the Rural Arterial Trust

Account—State $4,844,000

((~~(8)~~)) (7) Motor Vehicle Account—State Appropriation:

For transfer to the Transportation Improvement

Account—State $9,688,000

((~~(9) Motor Vehicle Account—State Appropriation:~~

~~For transfer to the State Patrol Highway~~

~~Account—State~~ ~~$43,000,000~~

~~(10)~~)) (8) Puget Sound Ferry Operations Account—State

Appropriation: For transfer to the Connecting

Washington Account—State $1,305,000

((~~(11)~~)) (9) Rural Mobility Grant Program Account—State

Appropriation: For transfer to the Multimodal

Transportation Account—State $3,000,000

((~~(12)~~)) (10) State Route Number 520 Civil Penalties

Account—State Appropriation: For transfer to

the State Route Number 520 Corridor

Account—State $1,240,000

((~~(13)~~)) (11) Capital Vessel Replacement Account—State

Appropriation: For transfer to the Connecting

Washington Account—State $36,500,000

((~~(14)~~)) (12) Multimodal Transportation Account—State

Appropriation: For transfer to the Freight

Mobility Multimodal Account—State $8,511,000

((~~(15)~~)) (13) Multimodal Transportation Account—State

Appropriation: For transfer to the Puget Sound

Capital Construction Account—State ((~~$32,000,000~~))

 $34,000,000

((~~(16)~~)) (14) Multimodal Transportation Account—State

Appropriation: For transfer to the Puget Sound

Ferry Operations Account—State $20,000,000

((~~(17)~~)) (15) Multimodal Transportation Account—State

Appropriation: For transfer to the Regional

Mobility Grant Program Account—State $27,679,000

((~~(18)~~)) (16) Multimodal Transportation Account—State

Appropriation: For transfer to the Rural

Mobility Grant Program Account—State $15,223,000

((~~(19)~~)) (17) Tacoma Narrows Toll Bridge Account—State

Appropriation: For transfer to the Motor

Vehicle Account—State $950,000

((~~(20)~~)) (18) Multimodal Transportation Account—State Appropriation: For transfer to the Highway Safety

Account—State $10,000,000

(19) Transportation 2003 Account (Nickel Account)—

State Appropriation: For transfer to the Connecting

Washington Account—State $22,970,000

((~~(21)~~)) (20)(a) Interstate 405 Express Toll Lanes Operations

Account—State Appropriation: For transfer to the

Motor Vehicle Account—State $2,019,000

(b) The transfer identified in this subsection is provided solely to repay in full the motor vehicle account—state appropriation loan from section 407(19), chapter 222, Laws of 2014.

((~~(22)~~)) (21)(a) Transportation Partnership Account—State

Appropriation: For transfer to the Alaskan Way Viaduct

Replacement Project Account—State ((~~$122,046,000~~))

 $122,047,000

(b) The amount transferred in this subsection represents that portion of the up to $200,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.873, intended to be sold through the 2021-2023 fiscal biennium, used only for construction of the SR 99/Alaskan Way Viaduct Replacement project (809936Z), and that must be repaid from the Alaskan Way viaduct replacement project account consistent with RCW 47.56.864.

((~~(23)~~)) (22)(a) Motor Vehicle Account—State

Appropriation: For transfer to the Tacoma Narrows Toll

Bridge Account—State $5,000,000

(b) The transfer in this subsection must be made in April 2019. It is the intent of the legislature that this transfer is temporary, for the purpose of minimizing the impact of toll increases, and an equivalent reimbursing transfer is to occur in November 2019.

((~~(24)~~)) (23) Motor Vehicle Account—State

Appropriation: For transfer to the County Arterial

Preservation Account—State $4,844,000

((~~(25)~~)) (24)(a) General Fund Account—State Appropriation:

For transfer to the State Patrol Highway

Account—State $625,000

(b) The state treasurer shall transfer the funds only after receiving notification from the Washington state patrol under section 207(6) of this act.

((~~(26)~~)) (25)(a) Motor Vehicle Account—State Appropriation:

For transfer to the Alaskan Way Viaduct Replacement Project

Account—State $6,506,000

(b) The funds provided in (a) of this subsection are a loan to the Alaskan Way viaduct replacement project account—state, and the legislature assumes that these funds will be reimbursed to the motor vehicle account—state at a later date when the portion of state route number 99 that is a deep bore tunnel is operational.

(26) Highway Safety Account—State Appropriation:

For transfer to the Motor Vehicle Account—State $30,000,000

(27) Highway Safety Account—State Appropriation:

For transfer to the State Patrol Highway Account—

State $33,000,000

(28)(a) Alaskan Way Viaduct Replacement Account—

State Appropriation: For transfer to the Transportation

Partnership Account—State $3,828,000

(b) The amount transferred in this subsection represents repayment of debt service incurred under subsection (21) of this section.

**COMPENSATION**

**Sec.**  2017 3rd sp.s. c 1 s 726 (uncodified) is amended to read as follows:

**TRANSPORTATION—WASHINGTON FEDERATION OF STATE EMPLOYEES**

((~~Motor Vehicle Account—State Appropriation~~  ~~$18,443,000~~

~~State Patrol Highway Account—State Appropriation~~  ~~$1,199,000~~

~~State Patrol Highway Account—Federal Appropriation~~ ~~$22,000~~

~~Puget Sound Ferry Operations Account—State Appropriation~~ ~~$73,000~~

~~Highway Safety Account—State Appropriation~~ ~~$2,613,000~~

~~Motorcycle Safety Education Account—State Appropriation~~ ~~$37,000~~

~~State Wildlife Account—State Appropriation~~ ~~$14,000~~

~~Ignition Interlock Device Revolving Account—State~~

~~Appropriation~~ ~~$5,000~~

~~Department of Licensing Services Account—State~~

~~Appropriation~~ ~~$102,000~~

~~Aeronautics Account—State Appropriation~~ ~~$3,000~~

~~Interstate 405 Express Toll Lanes Operations Account—State~~

~~Appropriation~~ ~~$27,000~~

~~State Route Number 520 Corridor Account—State~~

~~Appropriation~~ ~~$51,000~~

~~State Route Number 520 Civil Penalties Account—State~~

~~Appropriation~~ ~~$16,000~~

~~Multimodal Transportation Account—State Appropriation~~ ~~$40,000~~

~~Tacoma Narrows Toll Bridge Account—State Appropriation~~ ~~$22,000~~

~~TOTAL APPROPRIATION~~ ~~$22,667,000~~

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

(1) An agreement has been reached between the governor and the Washington federation of state employees general government under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and increases to vacation leave accruals. Funding is contingent upon the enactment of ((~~Senate Bill No. 5969~~)) chapter 23, Laws of 2017 3rd sp. sess. (transparency in public employee collective bargaining). ((~~If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.~~))

(2) Provisions of the collective bargaining agreement contained in this section are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreement. The collective bargaining agreement contained in this section may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided. Appropriations for state agencies are increased by the amounts specified in ((~~LEAP Transportation Document 713 - 2017T~~)) this act to fund the provisions of this agreement.

**Sec.**  2017 3rd sp.s. c 1 s 727 (uncodified) is amended to read as follows:

**TRANSPORTATION—WPEA GENERAL GOVERNMENT**

((~~Motor Vehicle Account—State Appropriation~~  ~~$60,000~~

~~State Patrol Highway Account—State Appropriation~~  ~~$862,000~~

~~State Patrol Highway Account—Federal Appropriation~~ ~~$36,000~~

~~TOTAL APPROPRIATION~~ ~~$958,000~~

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

(1) An agreement has been reached between the governor and the Washington public employees association general government under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and increases to vacation leave accruals. Funding is contingent upon the enactment of ((~~Senate Bill No. 5969~~)) chapter 23, Laws of 2017 3rd sp. sess. (transparency in public employee collective bargaining). ((~~If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.~~))

(2) Provisions of the collective bargaining agreement contained in this section are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreement. The collective bargaining agreement contained in this section may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided. Appropriations for state agencies are increased by the amounts specified in ((~~LEAP Transportation Document 713 - 2017T~~)) this act to fund the provisions of this agreement.

**Sec.**  2017 3rd sp.s. c 1 s 728 (uncodified) is amended to read as follows:

**TRANSPORTATION—COLLECTIVE BARGAINING AGREEMENTS—PTE LOCAL 17**

((~~State Patrol Highway Account—State Appropriation~~ ~~$3,849,000~~

~~State Patrol Highway Account—Federal Appropriation~~ ~~$399,000~~

~~State Patrol Highway Account—Private/Local Appropriation~~ ~~$129,000~~

~~Motor Vehicle Account—State Appropriation~~ ~~$2,659,000~~

~~Highway Safety Account—State Appropriation~~ ~~$2,462,000~~

~~Aeronautics Account—State Appropriation~~ ~~$12,000~~

~~Puget Sound Ferry Operations Account—State~~

~~Appropriation~~ ~~$26,000~~

~~State Route Number 520 Corridor Account—State~~

~~Appropriation~~ ~~$86,000~~

~~State Route Number 520 Civil Penalties Account—State~~

~~Appropriation~~ ~~$4,000~~

~~Multimodal Transportation Account—State Appropriation~~ ~~$43,000~~

~~Tacoma Narrows Toll Bridge Account—State Appropriation~~ ~~$62,000~~

~~Motorcycle Safety Education Account—State Appropriation~~ ~~$10,000~~

~~TOTAL APPROPRIATION~~ ~~$9,741,000~~

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

(1) An agreement has been reached between the governor and the professional and technical employees local 17 under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and increases to vacation leave accruals. Funding is contingent upon the enactment of ((~~Senate Bill No. 5969~~)) chapter 23, Laws of 2017 3rd sp. sess. (transparency in public employee collective bargaining). ((~~If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.~~))

(2) Provisions of the collective bargaining agreement contained in this section are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreement. The collective bargaining agreement contained in this section may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided. Appropriations for state agencies are increased by the amounts specified in ((~~LEAP Transportation Document 713 - 2017T~~)) this act to fund the provisions of this agreement.

**Sec.**  2017 3rd sp.s. c 1 s 729 (uncodified) is amended to read as follows:

**TRANSPORTATION—THE COALITION OF UNIONS AGREEMENT**

((~~State Patrol Highway Account—State Appropriation~~  ~~$309,000~~

~~State Patrol Highway Account—Federal Appropriation~~ ~~$44,000~~

~~TOTAL APPROPRIATION~~ ~~$353,000~~

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

(1) An agreement has been reached between the governor and the coalition of unions under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and increases to vacation leave accruals. Funding is contingent upon the enactment of ((~~Senate Bill No. 5969~~)) chapter 23, Laws of 2017 3rd sp. sess. (transparency in public employee collective bargaining). ((~~If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.~~))

 (2) Provisions of the collective bargaining agreement contained in this section are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreement. The collective bargaining agreement contained in this section may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided. Appropriations for state agencies are increased by the amounts specified in ((~~LEAP Transportation Document 713 - 2017T~~)) this act to fund the provisions of this agreement.

**Sec.**  2017 3rd sp.s. c 1 s 730 (uncodified) is amended to read as follows:

**TRANSPORTATION—GENERAL WAGE INCREASE—STATE EMPLOYEES**

((~~Motor Vehicle Account—State Appropriation~~ ~~$5,163,000~~

~~State Patrol Highway Account—State Appropriation~~ ~~$812,000~~

~~State Patrol Highway Account—Federal Appropriation~~ ~~$8,000~~

~~State Patrol Highway Account—Private/Local Appropriation~~ ~~$1,000~~

~~Puget Sound Ferry Operations Account—State Appropriation~~ ~~$460,000~~

~~Highway Safety Account—State Appropriation~~ ~~$655,000~~

~~Highway Safety Account—Federal Appropriation~~ ~~$119,000~~

~~Motorcycle Safety Education Account—State Appropriation~~ ~~$12,000~~

~~State Wildlife Account—State Appropriation~~ ~~$8,000~~

~~Department of Licensing Services Account—State~~

~~Appropriation~~ ~~$21,000~~

~~Aeronautics Account—State Appropriation~~ ~~$53,000~~

~~State Route Number 520 Corridor Account—State~~

~~Appropriation~~ ~~$102,000~~

~~Multimodal Transportation Account—State Appropriation~~ ~~$302,000~~

~~Rural Arterial Trust Account—State Appropriation~~ ~~$32,000~~

~~County Arterial Preservation Account—State Appropriation~~ ~~$33,000~~

~~Transportation Improvement Account—State Appropriation~~ ~~$84,000~~

~~TOTAL APPROPRIATION~~ ~~$7,865,000~~

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

(1) Funding is provided for state agency employee compensation for employees funded in the 2017-2019 omnibus transportation appropriations act who are not represented or who bargain under statutory authority other than chapter 41.80 or 47.64 RCW or RCW 41.56.473 or 41.56.475. Funding is contingent upon the enactment of ((~~Senate Bill No. 5969~~)) chapter 23, Laws of 2017 3rd sp. sess. (transparency in public employee collective bargaining). ((~~If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.~~))

(2) Funding is provided for a two percent general wage increase effective July 1, 2017, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a two percent salary increase effective July 1, 2017, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(3) Funding is provided for a two percent general wage increase effective July 1, 2018, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a two percent salary increase effective July 1, 2018, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(4) Funding is provided for a two percent general wage increase effective January 1, 2019, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a two percent salary increase effective January 1, 2019, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(5) Appropriations for state agencies are increased by the amounts specified in ((~~LEAP Transportation Document 713 - 2017T~~)) this act to fund the provisions of this section.

**Sec.**  2017 3rd sp.s. c 1 s 731 (uncodified) is amended to read as follows:

**TRANSPORTATION—TARGETED COMPENSATION INCREASES—NONREPRESENTED JOB CLASS SPECIFIC**

((~~Motor Vehicle Account—State Appropriation~~  ~~$629,000~~

~~Puget Sound Ferry Operations Account—State Appropriation~~ ~~$14,000~~

~~Transportation Improvement Account—State Appropriation~~ ~~$90,000~~

~~County Arterial Preservation Account—State Appropriation~~ ~~$16,000~~

~~State Route Number 520 Corridor Account—State~~

~~Appropriation~~ ~~$16,000~~

~~TOTAL APPROPRIATION~~ ~~$765,000~~

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

(1) Funding is provided for salary adjustments for targeted job classifications for employees funded in the 2017-2019 omnibus transportation appropriations act, as specified by the office of financial management, of classified state employees, except those represented by a collective bargaining unit under chapters 41.80 and 47.64 RCW and RCW 41.56.473 and 41.56.475. Funding is contingent upon the enactment of ((~~Senate Bill No. 5969~~)) chapter 23, Laws of 2017 3rd sp. sess. (transparency in public employee collective bargaining). ((~~If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.~~))

(2) Appropriations for state agencies are increased by the amounts specified in ((~~LEAP Transportation Document 713 - 2017T~~)) this act to fund the provisions of this section.

**Sec.**  2017 3rd sp.s. c 1 s 732 (uncodified) is amended to read as follows:

**TRANSPORTATION—ORCA TRANSIT PASSES—WASHINGTON FEDERATION OF STATE EMPLOYEES**

((~~Motor Vehicle Account—State Appropriation~~  ~~$410,000~~

~~State Patrol Highway Account—State Appropriation~~ ~~$32,000~~

~~Puget Sound Ferry Operations Account—State Appropriation~~ ~~$8,000~~

~~Highway Safety Account—State Appropriation~~ ~~$30,000~~

~~State Route Number 520 Corridor Account—State Appropriation~~ ~~$8,000~~

~~State Route Number 520 Civil Penalties Account—State~~

~~Appropriation~~ ~~$2,000~~

~~Tacoma Narrows Toll Bridge Account—State Appropriation~~ ~~$2,000~~

~~Interstate 405 Express Toll Lanes Operations Account—State~~

~~Appropriation~~ ~~$6,000~~

~~TOTAL APPROPRIATION~~ ~~$498,000~~

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

(1) Funding is provided for transit passes for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. Funding is contingent upon the enactment of ((~~Senate Bill No. 5969~~)) chapter 23, Laws of 2017 3rd sp. sess. (transparency in public employee collective bargaining). ((~~If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.~~))

(2) Appropriations for state agencies are increased by the amounts specified in ((~~LEAP Transportation Document 713 - 2017T~~)) this act to fund the provisions of this section.

**Sec.**  2017 3rd sp.s. c 1 s 733 (uncodified) is amended to read as follows:

**TRANSPORTATION—ORCA TRANSIT PASSES**

((~~Motor Vehicle Account—State Appropriation~~ ~~$142,000~~

~~State Patrol Highway Account—State Appropriation~~ ~~$252,000~~

~~State Patrol Highway Account—Federal Appropriation~~ ~~$6,000~~

~~State Patrol Highway Account—Local Appropriation~~ ~~$8,000~~

~~Puget Sound Ferry Operations Account—State Appropriation~~ ~~$1,548,000~~

~~Highway Safety Account—State Appropriation~~ ~~$76,000~~

~~State Route Number 520 Corridor Account—State Appropriation~~ ~~$16,000~~

~~Tacoma Narrows Toll Bridge Account—State Appropriation~~ ~~$4,000~~

~~Multimodal Transportation Account—State~~

~~Appropriation~~ ~~$10,000~~

~~TOTAL APPROPRIATION~~ ~~$2,062,000~~

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

(1) Funding is provided for transit passes for state employees outside of higher education who work in King County, and who are not covered by a collective bargaining agreement. Funding is contingent upon the enactment of ((~~Senate Bill No. 5969~~)) chapter 23, Laws of 2017 3rd sp. sess. (transparency in public employee collective bargaining). ((~~If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.~~))

(2) Appropriations for state agencies are increased by the amounts specified in ((~~LEAP Transportation Document 713 - 2017T~~)) this act to fund the provisions of this section.

**Sec.**  2017 3rd sp.s. c 1 s 735 (uncodified) is amended to read as follows:

**TRANSPORTATION—COMPENSATION—REPRESENTED EMPLOYEES—INSURANCE BENEFITS**

((~~Aeronautics Account—State Appropriation~~ ~~$3,000~~

~~State Patrol Highway Account—State Appropriation~~ ~~$711,000~~

~~State Patrol Highway Account—Federal Appropriation~~ ~~$38,000~~

~~State Patrol Highway Account—Private/Local Appropriation~~ ~~$15,000~~

~~Motorcycle Safety Education Account—State Appropriation~~ ~~$7,000~~

~~State Wildlife Account—State Appropriation~~ ~~$4,000~~

~~Highway Safety Account—State Appropriation~~ ~~$821,000~~

~~Motor Vehicle Account—State Appropriation~~ ~~$2,955,000~~

~~Puget Sound Ferry Operations Account—State Appropriation~~ ~~$1,872,000~~

~~Ignition Interlock Device Revolving Account—State~~

~~Appropriation~~ ~~$1,000~~

~~State Route Number 520 Corridor Account—State Appropriation~~ ~~$20,000~~

~~State Route Number 520 Civil Penalties Account—State~~

~~Appropriation~~ ~~$4,000~~

~~Department of Licensing Services Account—State Appropriation~~ ~~$18,000~~

~~Multimodal Transportation Account—State Appropriation~~ ~~$18,000~~

~~Tacoma Narrows Toll Bridge Account—State Appropriation~~ ~~$9,000~~

~~I-405 Express Toll Lanes Operations Account—State~~

~~Appropriation~~ ~~$8,000~~

~~TOTAL APPROPRIATION~~ ~~$6,504,000~~

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

Collective bargaining agreements were reached for the 2017-2019 fiscal biennium between the governor and the employee representatives under the provisions of chapters 41.80 and 41.56 RCW. Appropriations in this act for state agencies are sufficient to implement the provisions of the 2017-2019 collective bargaining agreements and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan must not exceed $913 per eligible employee for fiscal year 2018. For fiscal year 2019, the monthly employer funding rate must not exceed $957 per eligible employee.

(b) Except as provided by the parties' health care agreement, in order to achieve the level of funding provided for health benefits, the public employees' benefits board must require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.065. The board shall collect a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment.

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

(2) The health care authority, subject to the approval of the public employees' benefits board, must provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. For calendar years 2018 and 2019, the subsidy must be up to $150.00 per month. The public employees' benefits board may not authorize under RCW 41.05.085, and the health care authority may not provide, a subsidy under this subsection of more than $150.00 per month. Funds from reserves accumulated for future adverse claims experience, from past favorable claims experience, or otherwise, may not be used to increase this retiree subsidy beyond what is authorized by the legislature in this subsection.

(3) All savings resulting from reduced claim costs or other factors identified after June 1, 2017, must be reserved for funding employee health benefits in the 2019-2021 fiscal biennium.

(4) Appropriations for state agencies are increased by the amounts specified in ((~~LEAP Transportation Document 713 – 2017T~~)) this act to fund the provisions of this agreement.

**Sec.**  2017 3rd sp.s. c 1 s 736 (uncodified) is amended to read as follows:

**TRANSPORTATION—COMPENSATION—NONREPRESENTED EMPLOYEES—INSURANCE BENEFITS**

((~~Aeronautics Account—State Appropriation~~ ~~$9,000~~

~~State Patrol Highway Account—State Appropriation~~ ~~$1,414,000~~

~~State Patrol Highway Account—Federal Appropriation~~ ~~$14,000~~

~~Motorcycle Safety Education Account—State Appropriation~~ ~~$2,000~~

~~Rural Arterial Trust Account—State Appropriation~~ ~~$4,000~~

~~State Wildlife Account—State Appropriation~~ ~~$1,000~~

~~Highway Safety Account—State Appropriation~~ ~~$111,000~~

~~Highway Safety Account—Federal Appropriation~~ ~~$20,000~~

~~Motor Vehicle Account—State Appropriation~~ ~~$781,000~~

~~Puget Sound Ferry Operations Account—State Appropriation~~ ~~$68,000~~

~~Transportation Improvement Account—State Appropriation~~ ~~$12,000~~

~~State Route Number 520 Corridor Account—State Appropriation~~ ~~$16,000~~

~~County Arterial Preservation Account—State Appropriation~~ ~~$4,000~~

~~Department of Licensing Services Account—State Appropriation~~ ~~$3,000~~

~~Multimodal Transportation Account—State Appropriation~~ ~~$45,000~~

~~TOTAL APPROPRIATION~~ ~~$2,504,000~~

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

(1) Appropriations for state agencies in this act are sufficient for nonrepresented state employee health benefits for state agencies, including institutions of higher education, and are subject to the following conditions and limitations:

(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan must not exceed $913 per eligible employee for fiscal year 2018. For fiscal year 2019, the monthly employer funding rate must not exceed $957 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board must require any of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.065. The board shall collect a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment.

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

(2) The health care authority, subject to the approval of the public employees' benefits board, must provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. For calendar years 2018 and 2019, the subsidy must be up to $150.00 per month. The public employees' benefits board may not authorize under RCW 41.05.085, and the health care authority may not provide, a subsidy under this subsection of more than $150.00 per month. Funds from reserves accumulated for future adverse claims experience, from past favorable claims experience, or otherwise, may not be used to increase this retiree subsidy beyond what is authorized by the legislature in this subsection.

(3) All savings resulting from reduced claim costs or other factors identified after June 1, 2017, must be reserved for funding employee health benefits in the 2019-2021 fiscal biennium.

(4) Appropriations for state agencies are increased by the amounts specified in ((~~LEAP Transportation Document 713 - 2017T~~)) this act to fund the provisions of this agreement.

**IMPLEMENTING PROVISIONS**

**Sec.**  2017 c 313 s 601 (uncodified) is amended to read as follows:

**FUND TRANSFERS**

(1) The 2005 transportation partnership projects or improvements and 2015 connecting Washington projects or improvements are listed in the LEAP Transportation Document ((~~2017~~)) 2018-1 as developed ((~~April 20, 2017~~)) February 19, 2018, which consists of a list of specific projects by fund source and amount over a sixteen-year period. Current fiscal biennium funding for each project is a line-item appropriation, while the outer year funding allocations represent a sixteen-year plan. The department of transportation is expected to use the flexibility provided in this section to assist in the delivery and completion of all transportation partnership account and connecting Washington account projects on the LEAP transportation document referenced in this subsection. For the 2017-2019 project appropriations, unless otherwise provided in this act, the director of the office of financial management may provide written authorization for a transfer of appropriation authority between projects funded with transportation partnership account appropriations or connecting Washington account appropriations to manage project spending and efficiently deliver all projects in the respective program under the following conditions and limitations:

(a) Transfers may only be made within each specific fund source referenced on the respective project list;

(b) Transfers from a project may not be made as a result of the reduction of the scope of a project or be made to support increases in the scope of a project;

(c) Transfers from a project may be made if the funds appropriated to the project are in excess of the amount needed in the current fiscal biennium;

(d) Transfers may not occur for projects not identified on the applicable project list;

(e) Transfers may not be made while the legislature is in session;

(f) Transfers to a project may not be made with funds designated as attributable to practical design savings as described in RCW 47.01.480;

(g) Each transfer between projects may only occur if the director of the office of financial management finds that any resulting change will not hinder the completion of the projects as approved by the legislature. Until the legislature reconvenes to consider the 2018 supplemental omnibus transportation appropriations act, any unexpended 2015-2017 appropriation balance as approved by the office of financial management, in consultation with the legislative staff of the house of representatives and senate transportation committees, may be considered when transferring funds between projects; and

(h) Transfers between projects may be made by the department of transportation without the formal written approval provided under this subsection (1), provided that the transfer amount does not exceed two hundred fifty thousand dollars or ten percent of the total project, whichever is less. These transfers must be reported quarterly to the director of the office of financial management and the chairs of the house of representatives and senate transportation committees.

(2) The department of transportation must submit quarterly all transfers authorized under this section in the transportation executive information system. The office of financial management must maintain a legislative baseline project list identified in the LEAP transportation documents referenced in this act, and update that project list with all authorized transfers under this section.

(3) At the time the department submits a request to transfer funds under this section, a copy of the request must be submitted to the transportation committees of the legislature.

(4) Before approval, the office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested transfers in a timely manner.

(5) No fewer than ten days after the receipt of a project transfer request, the director of the office of financial management must provide written notification to the department of any decision regarding project transfers, with copies submitted to the transportation committees of the legislature.

(6) The department must submit annually as part of its budget submittal a report detailing all transfers made pursuant to this section.

**Sec.**  2017 c 313 s 606 (uncodified) is amended to read as follows:

(1) By November 15, 2017, and annually thereafter, the department of transportation must report on amounts expended to benefit transit, bicycle, or pedestrian elements within all connecting Washington projects in programs I, P, and Z identified in LEAP Transportation Document ((~~2017~~)) 2018-2 ALL PROJECTS as developed ((~~April 20, 2017~~)) February 19, 2018. The report must address each modal category separately and identify if eighteenth amendment protected funds have been used and, if not, the source of funding.

(2) To facilitate the report in subsection (1) of this section, the department of transportation must require that all bids on connecting Washington projects include an estimate on the cost to implement any transit, bicycle, or pedestrian project elements.

**MISCELLANEOUS 2017-2019 FISCAL BIENNIUM**

NEW SECTION. **Sec.**  A new section is added to 2017 c 313 (uncodified) to read as follows:**ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS**

(1) The department of transportation is authorized, subject to the conditions in section 305(3) of this act, to enter into a financing contract pursuant to chapter 39.94 RCW through the state treasurer's lease-purchase program for the purposes indicated. The department may use any funds, appropriated or nonappropriated, in not more than the principal amounts indicated, plus financing expenses and required reserves, if any. Expenditures made by the department of transportation for the indicated purposes before the issue date of the authorized financing contract and any certificates of participation therein may be reimbursed from proceeds of the financing contract and any certificates of participation therein to the extent provided in the agency's financing plan approved by the state finance committee.

(2) Department of transportation: Enter into a financing contract for up to $32,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to renovate the existing office building at 15700 Dayton Ave N, Shoreline.

NEW SECTION. **Sec.**  2017 c 288 s 5 (uncodified) is repealed.

**MISCELLANEOUS**

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

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

**--- END ---**