
HOUSE BILL 1227

State of Washington

69th Legislature

2025 Regular Session

By Representative Fey; by request of Office of Financial Management

Prefiled 01/09/25.

1 AN ACT Relating to transportation funding and appropriations;
2 amending RCW 43.19.642, 46.20.745, 46.68.060, 46.68.063, 46.68.290,
3 46.68.300, 46.68.370, 46.68.395, 46.68.490, 46.68.500, 46.68.510,
4 47.56.876, 47.60.315, 47.60.322, 47.60.530, 47.66.120, 47.68.090,
5 70A.65.240, 46.68.520, 46.68.280, and 82.21.030; creating new
6 sections; making appropriations and authorizing expenditures for
7 capital improvements; and declaring an emergency.

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

9 **2025-2027 FISCAL BIENNIUM**

10 NEW SECTION. **Sec. 1.** (1) The transportation budget of the state
11 is hereby adopted and, subject to the provisions set forth, the
12 several amounts specified, or as much thereof as may be necessary to
13 accomplish the purposes designated, are hereby appropriated from the
14 several accounts and funds named to the designated state agencies and
15 offices for employee compensation and other expenses, for capital
16 projects, and for other specified purposes, including the payment of
17 any final judgments arising out of such activities, for the period
18 ending June 30, 2027.

19 (2) Unless the context clearly requires otherwise, the
20 definitions in this subsection apply throughout this act.

1 (a) "Fiscal year 2026" or "FY 2026" means the fiscal year ending
2 June 30, 2026.

3 (b) "Fiscal year 2027" or "FY 2027" means the fiscal year ending
4 June 30, 2027.

5 (c) "FTE" means full-time equivalent.

6 (d) "Lapse" or "revert" means the amount shall return to an
7 unappropriated status.

8 (e) "Provided solely" means the specified amount may be spent
9 only for the specified purpose. Unless otherwise specifically
10 authorized in this act, any portion of an amount provided solely for
11 a specified purpose that is not expended subject to the specified
12 conditions and limitations to fulfill the specified purpose shall
13 lapse.

14 (f) "Reappropriation" means appropriation and, unless the context
15 clearly provides otherwise, is subject to the relevant conditions and
16 limitations applicable to appropriations.

17 **GENERAL GOVERNMENT AGENCIES—OPERATING**

18 NEW SECTION. **Sec. 101. FOR THE DEPARTMENT OF ARCHAEOLOGY AND**
19 **HISTORIC PRESERVATION**

20 Motor Vehicle Account—State Appropriation. \$588,000

21 NEW SECTION. **Sec. 102. FOR THE UTILITIES AND TRANSPORTATION**
22 **COMMISSION**

23 Grade Crossing Protective Account—State
24 Appropriation. \$504,000

25 Pilotage Account—State Appropriation. \$150,000

26 TOTAL APPROPRIATION. \$654,000

27 NEW SECTION. **Sec. 103. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

28 Motor Vehicle Account—State Appropriation. \$216,000

29 Puget Sound Ferry Operations Account—State
30 Appropriation. \$132,000

31 TOTAL APPROPRIATION. \$348,000

32 NEW SECTION. **Sec. 104. FOR THE STATE PARKS AND RECREATION**
33 **COMMISSION**

34 Motor Vehicle Account—State Appropriation. \$1,186,000

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

4 NEW SECTION. **Sec. 105. FOR THE DEPARTMENT OF AGRICULTURE**

5 Motor Vehicle Account—State Appropriation. \$1,550,000

6 NEW SECTION. **Sec. 106. FOR THE LEGISLATIVE EVALUATION AND**
7 **ACCOUNTABILITY PROGRAM COMMITTEE**

8 Motor Vehicle Account—State Appropriation. \$759,000

9 NEW SECTION. **Sec. 107. FOR THE OFFICE OF MINORITY AND WOMEN'S**
10 **BUSINESS ENTERPRISES**

11 Move Ahead WA Flexible Account—State Appropriation. \$3,003,000

12 The appropriation in this section is subject to the following
13 conditions and limitations: The entire move ahead WA flexible account
14 —state appropriation in this section is provided solely for
15 increasing the number of certified women and minority-owned
16 contractors in the transportation sector statewide, with priority
17 given to areas outside of the Puget Sound area and supporting these
18 contractors to successfully compete and earn more transportation
19 contracting opportunities. This purpose must be accomplished through
20 various programs including, but not limited to: (1) Outreach to women
21 and minority-owned business communities and individuals; (2)
22 technical assistance, mentorship, and consultation as needed in areas
23 such as financing, accounting, contracting, procurement, and
24 resolution of disputes and grievances; (3) language access programs
25 for those with limited English proficiency; (4) developing a truck
26 rotation program to allow smaller minority and women-owned trucking
27 companies to pool their resources and compete with larger scale
28 trucking operations; and (5) other programs that aim to increase the
29 number of women and minority contractors that are successful in
30 obtaining contracts in the transportation sector directly with state
31 agencies such as the department, with local jurisdictions, or as
32 subcontractors for prime contractors.

33 NEW SECTION. **Sec. 108. FOR THE BOARD OF PILOTAGE COMMISSIONERS**

34 Pilotage Account—State Appropriation. \$3,468,000

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

3 (1) The board of pilotage commissioners shall file the annual
4 report to the governor and chairs of the transportation committees
5 required under RCW 88.16.035(1)(f) by September 1, 2025, and annually
6 thereafter. The report must include the continuation of policies and
7 procedures necessary to increase the diversity of pilots, trainees,
8 and applicants, including a diversity action plan. The diversity
9 action plan must articulate a comprehensive vision of the board's
10 diversity goals and the steps it will take to reach those goals.

11 (2) \$116,000 of the pilotage account—state appropriation is for a
12 temporary environmental planner position to support rulemaking to
13 fulfill the requirements of chapter 289, Laws of 2019.

14 NEW SECTION. **Sec. 109. FOR THE UNIVERSITY OF WASHINGTON**

15 Multimodal Transportation Account—State

16 Appropriation. \$2,300,000

17 The appropriation in this section is subject to the following
18 conditions and limitations: \$2,300,000 of the multimodal
19 transportation account—state appropriation is provided solely for the
20 University of Washington's sidewalk inventory and accessibility
21 mapping project to develop a public dataset under an open license and
22 develop the tools needed to publish that data according to an open
23 data specification. The project must include, but is not limited to,
24 utilization of existing data sources, imagery, detailed surveys, and
25 manually collected, detailed data for city streets, county rural and
26 urban local access roads and collectors/arterials, state roads of all
27 types, and roads owned by other entities. The project may draw on
28 partially developed sidewalk data for all state facilities. To the
29 extent practicable, the final product must be suitable for use by the
30 department of transportation, local and regional agencies, tribal
31 governments, and the general public. For the first phase of work, the
32 project will produce a base active transportation data layer for all
33 counties, with priority given to counties with high proportions of
34 overburdened communities. A project status report is due to the
35 transportation committees of the legislature on December 1st of each
36 year until the work is completed.

1 (3) Conduct a review of existing operational and technological
2 enhancements to address environmental impacts from commercial
3 aviation activities including, but not limited to, climate friendly
4 routing of aircraft, innovations intended to address the climate
5 change effects of noncarbon dioxide emissions from aviation
6 activities, simulation models applied to congested airports, and
7 online tools to track, analyze, and improve carbon footprints related
8 to aviation activities. The review should identify the feasibility of
9 enhancements to be deployed in the state of Washington; and

10 (4) Provide a report to the office of the governor and the
11 transportation committees of the legislature by December 31, 2025.

12 NEW SECTION. **Sec. 113. FOR THE OFFICE OF THE GOVERNOR**
13 State Patrol Highway Account—State Appropriation. \$762,000

(End of part)

1 **TRANSPORTATION AGENCIES—OPERATING**

2 NEW SECTION. **Sec. 201. FOR THE WASHINGTON TRAFFIC SAFETY**
3 **COMMISSION**

4 Highway Safety Account—State Appropriation.	\$10,552,000
5 Highway Safety Account—Federal Appropriation.	\$36,097,000
6 Highway Safety Account—Private/Local Appropriation.	\$60,000
7 Cooper Jones Active Transportation Safety Account—	
8 State Appropriation.	\$400,000
9 School Zone Safety Account—State Appropriation.	\$850,000
10 TOTAL APPROPRIATION.	\$47,959,000

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

13 (1) Within existing resources, the commission, through the Cooper
14 Jones active transportation safety council, must prioritize the
15 review of pedestrian, bicyclist, or nonmotorist fatality and serious
16 injury review when the victim is a member of a federally recognized
17 tribe. Consistent with RCW 43.59.156(5), the commission may recommend
18 any policy or legislative changes to improve traffic safety for
19 tribes through such review.

20 (2) \$300,000 of the highway safety account—state appropriation is
21 provided solely for the commission to purchase telematics data from a
22 qualified vendor that provides anonymized information on vehicle
23 speeds and driver behaviors, such as hard braking, on a statewide
24 basis and in selected geographical areas based upon demographic
25 characteristics and crash history. The commission must provide an
26 annual report summarizing findings from the telematics data to the
27 transportation committees of the legislature beginning by June 30,
28 2025, and until June 30, 2027.

29 (3) \$1,500,000 of the highway safety account—state appropriation
30 is provided solely for a pilot program for dedicated probation or
31 compliance officers at the local level to improve compliance with
32 ignition interlock device installation requirements associated with
33 impaired driving offenses. The commission must select locations based
34 on an assessment of ignition interlock device compliance rates, and
35 the willingness and ability to have staff dedicated to this activity.
36 By June 30, 2027, the commission must provide to the transportation
37 committees of the legislature a status report on the specific
38 locations selected and any outcome information.

1 (4) \$1,000,000 of the highway safety account—state appropriation
2 is provided solely to implement a multifaceted approach to supplement
3 existing funding targeted at impaired driving and other enforcement.
4 The areas of emphasis expected to be funded include additional high
5 visibility enforcement and indigenous knowledge-informed tribal
6 traffic safety support. Funding is also provided for the commission
7 to administer and provide oversight of these activities. The
8 commission must provide a preliminary report to the transportation
9 committees of the legislature and the office of financial management
10 on these funded activities and any outcome information by December 1,
11 2025, with a final report due by December 1, 2026.

12 (5) \$200,000 of the highway safety account—state appropriation is
13 provided solely for an educational campaign to make the public aware
14 of the requirements of Z-0079/25 (reducing the blood alcohol
15 concentration limit from .08 to .05). If chapter . . ., Laws of 2025
16 (reducing the blood alcohol concentration limit from .08 to .05) is
17 not enacted by June 30, 2025, the amount provided in this subsection
18 lapses.

19 (6) \$350,000 of the highway safety account—state appropriation is
20 provided solely to complete an annual report on impacts of the
21 automated traffic cameras used in the state as required in RCW
22 46.63.210 through 46.63.260, beginning July 1, 2026.

23 **NEW SECTION. Sec. 202. FOR THE COUNTY ROAD ADMINISTRATION BOARD**

24 Rural Arterial Trust Account—State Appropriation.	\$4,079,000
25 Motor Vehicle Account—State Appropriation.	\$4,745,000
26 County Arterial Preservation Account—State	
27 Appropriation.	\$4,579,000
28 TOTAL APPROPRIATION.	\$13,403,000

29 The appropriations in this section are subject to the following
30 conditions and limitations: \$2,500,000 of the rural arterial trust
31 account—state appropriation and \$2,500,000 of the county arterial
32 preservation account—state appropriation are provided solely for a
33 grant program to assist counties and cities with the costs associated
34 with obtaining a new federal highway administration load rating for
35 bridges to accommodate legal loads as authorized under RCW 46.44.041.

36 **NEW SECTION. Sec. 203. FOR THE TRANSPORTATION IMPROVEMENT BOARD**
37 Transportation Improvement Account—State

1 Appropriation. \$5,094,000

2 NEW SECTION. **Sec. 204. FOR THE JOINT TRANSPORTATION COMMITTEE**

3 Motor Vehicle Account—State Appropriation. \$2,267,000

4 NEW SECTION. **Sec. 205. FOR THE TRANSPORTATION COMMISSION**

5 Motor Vehicle Account—State Appropriation. \$2,283,000

6 Interstate 405 and State Route Number 167 Express

7 Toll Lanes Account—State Appropriation. \$150,000

8 Multimodal Transportation Account—State

9 Appropriation. \$15,000

10 State Route Number 520 Corridor Account—State

11 Appropriation. \$288,000

12 Tacoma Narrows Toll Bridge Account—State

13 Appropriation. \$178,000

14 Alaskan Way Viaduct Replacement Project Account—

15 State Appropriation. \$168,000

16 TOTAL APPROPRIATION. \$3,082,000

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

19 (1) The commission shall provide regular updates on the status of
20 ongoing coordination with the state of Oregon on any bistate
21 agreements regarding the mutual or joint setting, adjustment, and
22 review of toll rates and exemptions. Prior to finalizing any such
23 agreement, the commission shall provide a draft of the agreement to
24 the transportation committees of the legislature for review and
25 input. Additionally, the commission shall advise on the status of any
26 bistate agreements to the joint transportation committee beginning in
27 September 2023 and quarterly thereafter until any agreements are
28 finalized.

29 (2) \$15,000 of the multimodal transportation account—state
30 appropriation and \$14,000 of the motor vehicle account—state
31 appropriation are provided solely for the commission to complete the
32 statewide transportation plan required under RCW 47.01.071(4).

33 NEW SECTION. **Sec. 206. FOR THE FREIGHT MOBILITY STRATEGIC**
34 **INVESTMENT BOARD**

35 Freight Mobility Investment Account—State

36 Appropriation. \$1,623,000

1 The appropriation in this section is subject to the following
 2 conditions and limitations: The board shall on an annual basis
 3 provide a status update on project delivery, including information on
 4 project timeline, cost, and budgeted cash flow over time to the
 5 office of financial management and the transportation committees of
 6 the legislature on the delivery of the freight mobility strategic
 7 investment projects on OFM Transportation Document 2025-1: Proposed
 8 Transportation Project List as developed December 17, 2024.

9 NEW SECTION. **Sec. 207. FOR THE WASHINGTON STATE PATROL**

10 Alaskan Way Viaduct Replacement Project Account—

11 State Appropriation.	\$42,000
12 Climate Commitment Account—State Appropriation.	\$2,107,000
13 State Patrol Highway Account—State Appropriation.	\$749,131,000
14 State Patrol Highway Account—Federal Appropriation.	\$24,146,000
15 State Patrol Highway Account—Private/Local	
16 Appropriation.	\$4,604,000
17 Highway Safety Account—State Appropriation.	\$4,433,000
18 Ignition Interlock Device Revolving Account—State	
19 Appropriation.	\$2,713,000
20 Multimodal Transportation Account—State	
21 Appropriation.	\$334,000
22 State Route Number 520 Corridor Account—State	
23 Appropriation.	\$90,000
24 Tacoma Narrows Toll Bridge Account—State	
25 Appropriation.	\$274,000
26 I-405 and SR 167 Express Toll Lanes Account—State	
27 Appropriation.	\$2,894,000
28 TOTAL APPROPRIATION.	\$790,768,000

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

31 (1) \$580,000 of the state patrol highway account—state
 32 appropriation is provided solely for the operation of and
 33 administrative support to the license investigation unit to enforce
 34 vehicle registration laws in southwestern Washington. The Washington
 35 state patrol, in consultation with the department of revenue, shall
 36 maintain a running estimate of the additional vehicle registration
 37 fees, sales and use taxes, and local vehicle fees remitted to the

1 state pursuant to activity conducted by the license investigation
2 unit. Beginning October 1, 2023, and semiannually thereafter, the
3 Washington state patrol shall submit a report detailing the
4 additional revenue amounts generated since July 1, 2023, to the
5 director of the office of financial management and the transportation
6 committees of the legislature. At the end of the fiscal quarter in
7 which it is estimated that more than \$625,000 in state sales and use
8 taxes have been remitted to the state since July 1, 2025, the
9 Washington state patrol shall notify the state treasurer and the
10 state treasurer shall transfer funds pursuant to section 406 of this
11 act.

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

21 (3) \$2,500,000 of the highway safety account—state appropriation
22 is provided solely for implementation of chapter 17, Laws of 2023
23 (speed safety cameras).

24 (4) \$4,950,000 of the state patrol highway account—state
25 appropriation is provided solely for the acquisition, down payment,
26 and related costs associated with the planned replacement of an aging
27 Cessna aircraft and the purchase of one infrared camera (infrared
28 camera #2). This funding will cover the second (C206 #2), third (C206
29 #3), and fourth (C206 #4) aircraft replacements.

30 (5) During the 2025-2027 fiscal biennium, the office of financial
31 management will include in any compensation survey undertaken in
32 accordance with RCW 41.06.167 and 43.43.380 a comparison of base
33 salary provided and recruitment bonus amounts offered by the surveyed
34 law enforcement agencies. The comparison will be based on the survey
35 results and the 2024 Washington state patrol compensation survey
36 published in June 2024.

37 (6) Within existing resources, the state patrol shall continue
38 its diversity, equity, and inclusion program, as well as its
39 statewide community engagement program to improve relationships with
40 historically underrepresented communities and to recruit and retain a

1 diverse workforce. Additionally, the state patrol shall maintain a
2 contract with an external psychologist to perform exams.

3 (7) Within existing resources, the Washington state patrol must
4 offer a minimum of 14 emergency vehicle operator courses per year at
5 its Shelton driving track exclusively for basic law enforcement
6 academies offered by the criminal justice training commission.

7 (8) \$1,804,000 of the climate commitment account—state
8 appropriation is provided solely for the Washington state patrol fire
9 marshal's office to expand training to the fire service to address
10 fire and safety risks associated with emerging technologies
11 including, but not limited to, incidents involving electric vehicles
12 and stored energy.

13 NEW SECTION. **Sec. 208. FOR THE DEPARTMENT OF LICENSING**

14	Driver Licensing Technology Support Account—State	
15	Appropriation.	\$1,773,000
16	Marine Fuel Tax Refund Account—State Appropriation.	\$34,000
17	Motorcycle Safety Education Account—State	
18	Appropriation.	\$5,418,000
19	Limited Fish and Wildlife Account—State	
20	Appropriation.	\$499,000
21	Highway Safety Account—State Appropriation.	\$301,339,000
22	Highway Safety Account—Federal Appropriation.	\$1,314,000
23	Motor Vehicle Account—State Appropriation.	\$96,937,000
24	Motor Vehicle Account—Private/Local Appropriation.	\$1,336,000
25	Ignition Interlock Device Revolving Account—State	
26	Appropriation.	\$6,850,000
27	Department of Licensing Services Account—State	
28	Appropriation.	\$8,890,000
29	License Plate Technology Account—State Appropriation.	\$3,829,000
30	Abandoned Recreational Vehicle Account—State	
31	Appropriation.	\$3,116,000
32	Limousine Carriers Account—State Appropriation.	\$128,000
33	Electric Vehicle Account—State Appropriation.	\$466,000
34	DOL Technology Improvement & Data Management	
35	Account—State Appropriation.	\$978,000
36	Agency Financial Transaction Account—State	
37	Appropriation.	\$18,344,000
38	Move Ahead WA Flexible Account—State Appropriation.	\$1,506,000

1 TOTAL APPROPRIATION. \$452,757,000

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

4 (1) \$1,100,000 of the highway safety account—state appropriation
5 and \$1,100,000 of the move ahead WA flexible account—state
6 appropriation are provided solely for the department to provide an
7 interagency transfer to the department of children, youth, and
8 families for the purpose of providing driver's license support. In
9 addition to support services required under RCW 74.13.338(2), support
10 services may include reimbursement of:

11 (a) The cost for a youth in foster care of any eligible age to
12 complete a driver training education course, as outlined in chapter
13 46.82 or 28A.220 RCW;

14 (b) The costs incurred by foster youth in foster care for a motor
15 vehicle insurance policy;

16 (c) The costs of roadside assistance, motor vehicle insurance
17 deductibles, motor vehicle registration fees, towing services, car
18 maintenance, comprehensive car insurance, and gas cards; and

19 (d) Any other costs related to obtaining a driver's license and
20 driving legally and safely.

21 (2)(a) \$36,000 of the motor vehicle account—state appropriation
22 is provided solely for the issuance of nonemergency medical
23 transportation vehicle decals to implement the high occupancy vehicle
24 lane access pilot program established in section 217(2) of this act.
25 A for hire nonemergency medical transportation vehicle is a vehicle
26 that is a "for hire vehicle" under RCW 46.04.190 that provides
27 nonemergency medical transportation, including for life-sustaining
28 transportation purposes, to meet the medical transportation needs of
29 individuals traveling to medical practices and clinics, cancer
30 centers, dialysis facilities, hospitals, and other care providers.

31 (b) As part of this pilot program, the owner of a for hire
32 nonemergency medical transportation vehicle may apply to the
33 department, county auditor or other agent, or subagent appointed by
34 the director, for a high occupancy vehicle exempt decal for a for
35 hire nonemergency medical transportation vehicle. The high occupancy
36 vehicle exempt decal allows the for hire nonemergency medical
37 transportation vehicle to use a high occupancy vehicle lane as
38 specified in RCW 46.61.165 and 47.52.025 during the 2025-2027 fiscal
39 biennium.

1 (c) For the exemption in this subsection to apply to a for hire
2 nonemergency medical transportation vehicle, the decal:

3 (i) Must be displayed on the vehicle so that it is clearly
4 visible from outside the vehicle;

5 (ii) Must identify that the vehicle is exempt from the high
6 occupancy vehicle requirements; and

7 (iii) Must be visible from the rear of the vehicle.

8 (d) The owner of a for hire nonemergency medical transportation
9 vehicle or the owner's representative must apply for a high occupancy
10 vehicle exempt decal on a form provided or approved by the
11 department. The application must include:

12 (i) The name and address of the person who is the owner of the
13 vehicle;

14 (ii) A full description of the vehicle, including its make,
15 model, year, and the vehicle identification number;

16 (iii) The purpose for which the vehicle is principally used;

17 (iv) An attestation signed by the vehicle's owner or the owner's
18 representative that the vehicle's owner has a minimum of one contract
19 or service agreement to provide for hire transportation services for
20 medical purposes with one or more of the following entities: A health
21 insurance company; a hospital, clinic, dialysis center, or other
22 medical institution; a day care center, retirement home, or group
23 home; a federal, state, or local agency or jurisdiction; or a broker
24 who negotiates these services on behalf of one or more of these
25 entities; and

26 (v) Other information as required by the department upon
27 application.

28 (e) The department, county auditor or other agent, or subagent
29 appointed by the director shall collect the fee required under (f) of
30 this subsection when issuing or renewing a high occupancy vehicle
31 exempt decal.

32 (f) The department, county auditor or other agent, or subagent
33 must collect a \$5 fee when issuing or renewing a decal under this
34 subsection, in addition to any other fees and taxes required by law.

35 (g) A high occupancy vehicle exempt decal expires June 30, 2027,
36 and must be marked to indicate its expiration date. The decal may be
37 renewed if the pilot program is continued past the date of a decal's
38 expiration. The status as an exempt vehicle continues until the high
39 occupancy vehicle exempt decal is suspended or revoked for misuse,
40 the vehicle is no longer used as a for hire nonemergency medical

1 transportation vehicle, or the pilot program established in section
2 217(2) of this act is terminated.

3 (h) The department may adopt rules to implement this subsection.

4 (3) \$1,450,000 of the highway safety account—state appropriation
5 is provided solely for organizations providing driver's license
6 assistance and support services. Of this amount:

7 (a) \$700,000 of the highway safety account—state appropriation is
8 provided solely for driver's license assistance and support services
9 in King county with an existing provider that is already providing
10 these services to low-income immigrant and refugee women; and

11 (b) \$750,000 of the highway safety account—state appropriation is
12 provided solely for additional contracts with organizations providing
13 driver's license assistance and other related support services in
14 other parts of the state.

15 (c) By December 1st of each year, the department must submit
16 information on the contracted providers, including: The annual budget
17 of the contracted providers in the preceding year; information
18 regarding private and other governmental support for the activities
19 of the providers; and a description of the number of people served,
20 services delivered, and outcome measures.

21 (4) \$222,000 of the motor vehicle account—state appropriation is
22 provided solely for implementation of Z-0041/25 (improving collector
23 vehicle regulations). If chapter . . ., Laws of 2025 (improving
24 collector vehicle regulations) is not enacted by June 30, 2025, the
25 amount provided in this subsection lapses.

26 (5) \$143,000 of the highway safety account—state appropriation is
27 provided solely for implementation of Z-0003/25 (driver training in
28 lieu of suspension). If chapter . . ., Laws of 2025 (driver training
29 in lieu of suspension) is not enacted by June 30, 2025, the amount
30 provided in this subsection lapses.

31 (6) For the 2025-2027 fiscal biennium, the department shall
32 charge \$1,336,000 for the administration and collection of a motor
33 vehicle excise tax on behalf of a regional transit authority, as
34 authorized under RCW 82.44.135. The amount in this subsection must be
35 deducted before distributing any revenue to a regional transit
36 authority.

37 NEW SECTION. **Sec. 209. FOR THE DEPARTMENT OF TRANSPORTATION—**
38 **TOLL OPERATIONS AND MAINTENANCE—PROGRAM B**

1	Puget Sound Gateway Facility Account—State	
2	Appropriation.	\$7,651,000
3	State Route Number 520 Corridor Account—State	
4	Appropriation.	\$47,676,000
5	State Route Number 520 Civil Penalties Account—State	
6	Appropriation.	\$2,378,000
7	Tacoma Narrows Toll Bridge Account—State	
8	Appropriation.	\$38,558,000
9	Alaskan Way Viaduct Replacement Project Account—	
10	State Appropriation.	\$26,578,000
11	Interstate 405 and State Route Number 167 Express	
12	Toll Lanes Account—State Appropriation.	\$50,048,000
13	TOTAL APPROPRIATION.	\$172,889,000

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

16 (1) \$1,300,000 of the Tacoma Narrows toll bridge account—state
17 appropriation and \$12,820,000 of the state route number 520 corridor
18 account—state appropriation are provided solely for the purposes of
19 addressing unforeseen operations and maintenance costs on the Tacoma
20 Narrows bridge and the state route number 520 bridge, respectively.
21 The office of financial management shall place the amounts provided
22 in this subsection, which represent a portion of the required minimum
23 fund balance under the policy of the state treasurer, in unallotted
24 status. The office may release the funds only when it determines that
25 all other funds designated for operations and maintenance purposes
26 have been exhausted.

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

32 (a) Information on the travel times and travel time reliability
33 (at a minimum, average and 90th percentile travel times) maintained
34 during peak and nonpeak periods in the express toll lanes and general
35 purpose lanes for both the entire corridor and commonly made trips in
36 the corridor including, but not limited to, northbound from Bellevue
37 to Rose Hill, state route number 520 at NE 148th to Interstate 405 at
38 state route number 522, Bellevue to Bothell (both NE 8th to state
39 route number 522 and NE 8th to state route number 527), and a trip

1 internal to the corridor (such as NE 85th to NE 160th) and similar
2 southbound trips; and

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

6 (3) The department shall make detailed annual reports to the
7 transportation committees of the legislature and the public on the
8 department's website in a manner consistent with past practices as
9 specified in section 209(5), chapter 186, Laws of 2022.

10 (4) As part of the department's 2027-2029 biennial budget
11 request, the department shall update the cost allocation
12 recommendations that assign appropriate costs to each of the toll
13 funds for services provided by relevant Washington state department
14 of transportation programs, the Washington state patrol, and the
15 transportation commission. The recommendations shall be based on
16 updated traffic and toll transaction patterns and other relevant
17 factors.

18 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF TRANSPORTATION—**
19 **INFORMATION TECHNOLOGY—PROGRAM C**

20	Transportation Partnership Account—State	
21	Appropriation.	\$2,472,000
22	Motor Vehicle Account—State Appropriation.	\$128,657,000
23	Puget Sound Ferry Operations Account—State	
24	Appropriation.	\$307,000
25	Multimodal Transportation Account—State	
26	Appropriation.	\$3,098,000
27	Transportation 2003 Account (Nickel Account)—State	
28	Appropriation.	\$1,488,000
29	TOTAL APPROPRIATION.	\$136,022,000

30 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF TRANSPORTATION—**
31 **FACILITY MAINTENANCE, OPERATIONS, AND CONSTRUCTION—PROGRAM D—**
32 **OPERATING**

33	Motor Vehicle Account—State Appropriation.	\$42,098,000
34	Move Ahead WA Account—State Appropriation.	\$2,044,000
35	State Route Number 520 Corridor Account—State	
36	Appropriation.	\$34,000
37	TOTAL APPROPRIATION.	\$44,176,000

1 the initial progress report, required in section 4, chapter 463, Laws
2 of 2023, which requires the listing of areas that will not have
3 further review as the areas are in conflict with the operations of a
4 military installation. The report must also identify unsuitable
5 geographies due to either environmental impacts or impacts to
6 overburdened communities. Additionally, within the funding provided,
7 the work group must:

8 (a) Work to understand what studies currently exist on state
9 transportation needs and capacities and identify any gaps of
10 information; and

11 (b) Conduct meaningful community engagement with overburdened and
12 vulnerable populations with a focus on the environmental justice
13 impact of aviation on communities.

14 (3) (a) \$2,100,000 of the aeronautics account—state appropriation
15 is provided solely for sustainable aviation grants recommended by the
16 department under the sustainable aviation grants program:

17 (i) West solar arrays and battery storage for the Chehalis-
18 Centralia airport;

19 (ii) Electric aircraft charging stations and strategic plan for
20 the Pangborn memorial airport; and

21 (iii) Solar covered car canopy for the Yakima air terminal and
22 McAllister field airport.

23 (b) The department shall submit a report to the transportation
24 committees of the legislature by October 1, 2026, identifying a
25 selection of sustainable aviation projects for funding by the
26 legislature. In considering projects to recommend to fund, the
27 department shall only consider projects that advance the state of
28 sustainable aviation technology and lead to future innovation.
29 Innovative sustainable aviation projects may include, but are not
30 limited to, pilot projects demonstrating the use of:

31 (i) Mobile battery charging technology;

32 (ii) Hydrogen electrolyzers and storage;

33 (iii) Electric ground equipment; and

34 (iv) Hanger charging technology.

35 NEW SECTION. **Sec. 214. FOR THE DEPARTMENT OF TRANSPORTATION—**
36 **PROGRAM DELIVERY MANAGEMENT AND SUPPORT—PROGRAM H**

37 Motor Vehicle Account—State Appropriation. \$69,069,000

38 Motor Vehicle Account—Federal Appropriation. \$500,000

1	Multimodal Transportation Account—State	
2	Appropriation.	\$832,000
3	Move Ahead WA Flexible Account—State Appropriation.	\$572,000
4	TOTAL APPROPRIATION.	\$70,973,000

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

7 (1) (a) \$572,000 of the move ahead WA flexible account—state
8 appropriation is provided solely to track and maximize clean fuels
9 credits and revenue generated by state agencies pursuant to chapter
10 70A.535 RCW.

11 (b) OFM Transportation Document 2025-1: Proposed Transportation
12 Project List as developed December 17, 2024, anticipates fulfillment
13 of the requirements under chapter 70A.535 RCW of generating credits
14 and revenue for transportation investments funded in an omnibus
15 transportation appropriations act, including the move ahead WA
16 transportation package. The omnibus transportation appropriations act
17 anticipates credits for ferry electrification for new hybrid electric
18 vessels, active transportation, transit programs and projects,
19 alternative fuel infrastructure, connecting communities, and
20 multimodal investments.

21 (c) Pursuant to the reporting requirements of RCW 70A.535.050(5),
22 the department must present a detailed projection of the credit
23 revenues generated and achieved directly as a result of the funding
24 and activities in this subsection.

25 (2) During the 2025-2027 fiscal biennium, if the department takes
26 possession of the property situated in the city of Edmonds for which
27 a purchase agreement was executed between Unocal and the department
28 in 2005 (Tax Parcel Number 262703-2-003-0009), and if the department
29 confirms that the property is still no longer needed for
30 transportation purposes, the department shall provide the city of
31 Edmonds with the first right of purchase at fair market value in
32 accordance with RCW 47.12.063(3) for the city's intended use of the
33 property to rehabilitate near-shore habitat for salmon and related
34 species.

35 NEW SECTION. **Sec. 215. FOR THE DEPARTMENT OF TRANSPORTATION—**
36 **PUBLIC-PRIVATE PARTNERSHIPS—PROGRAM K**

37	Motor Vehicle Account—State Appropriation.	\$773,000
38	Multimodal Transportation Account—State	

1	Appropriation.	\$200,000
2	Multimodal Transportation Account—Federal	
3	Appropriation.	\$50,140,000
4	Carbon Emissions Reduction Account—State	
5	Appropriation.	\$110,840,000
6	TOTAL APPROPRIATION.	\$161,953,000

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

9 (1) \$15,000,000 of the carbon emissions reduction account—state
10 appropriation is provided solely for the clean alternative fuel
11 vehicle charging and refueling infrastructure program in chapter 287,
12 Laws of 2019 (advancing green transportation adoption).

13 (2) The public-private partnerships program must continue to
14 explore retail partnerships at state-owned park and ride facilities,
15 as authorized in RCW 47.04.295.

16 (3) \$83,315,000 of the carbon emissions reduction account—state
17 appropriation is provided solely for implementation of zero-emission
18 medium and heavy-duty vehicle and equipment infrastructure and
19 incentive programs and for the replacement of school buses powered by
20 fossil fuels with zero-emission school buses, including the purchase
21 and installation of zero-emission school bus refueling
22 infrastructure.

23 (a) Of this amount, \$18,875,000 is for the department to
24 administer an early action grant program to provide expedited funding
25 for the replacement of school buses powered by fossil fuels with
26 zero-emission school buses, including the purchase and installation
27 of zero-emission school bus refueling infrastructure. The department
28 must contract with the department of ecology to implement the early
29 action grant program.

30 (b) (i) The remaining \$64,440,000, inclusive of costs for program
31 administration and staffing, is for a point-of-sale voucher incentive
32 program to encourage the faster adoption of zero-emission medium and
33 heavy-duty vehicles to further state climate goals under RCW
34 70A.45.020 and state equity goals under chapter 70A.02 RCW. The
35 voucher incentive program must be administered by a third-party
36 administrator that has experience administering voucher incentive
37 programs, with oversight conducted by the department.

38 (ii) The voucher program is required to be designed based on the
39 recommendations of the Joint Transportation Committee report

1 Washington State Infrastructure and Incentive Program Design for MHD
2 ZEVs, and to include:

3 (A) Simplified zero-emission vehicle eligibility requirements;

4 (B) Vehicle and infrastructure incentives aligned with programs
5 in other jurisdictions, where appropriate, to streamline user
6 planning;

7 (C) Financial enhancements for select populations based on equity
8 considerations, including for vehicles in disadvantaged communities
9 and vehicles to be purchased by small, minority-owned businesses,
10 with consideration for support of the secondary vehicle market;

11 (D) A centralized user and manufacturer portal for information,
12 application, and assistance;

13 (E) A fleet assistance and qualification program to assist in
14 zero-emission vehicle and infrastructure planning, to be administered
15 by the Washington State University extension energy program in
16 coordination with the department and the voucher program's third-
17 party administrator; and

18 (F) A voucher preapproval process to evaluate participant
19 eligibility, readiness for fleet deployment, and infrastructure
20 preparedness.

21 (iii) The following battery electric and hydrogen fuel cell
22 electric vehicle categories and associated charging, as well as
23 refueling infrastructure for these categories, are eligible for the
24 voucher program, subject to additional qualification criteria to be
25 determined by the department and the voucher program third-party
26 administrator:

27 (A) On-road vehicles from class 2b, heavy work pickups and vans,
28 through class 8, heavy tractor-trailer units and refuse trucks; and

29 (B) Cargo handling and off-road equipment.

30 (iv) School buses and transit vehicles eligible for state grant
31 programs for the purchase of zero-emission vehicles are not eligible
32 for vouchers under this program, but are eligible for fleet
33 assistance provided in association with the voucher program, which
34 must include assistance in determining state and federal grant
35 eligibility for these vehicles.

36 (v) The voucher amounts selected by the department and voucher
37 program third-party administrator must further the policy goals of
38 the program cited in (b)(i) of this subsection by offsetting
39 investments required for medium and heavy-duty vehicle and equipment
40 owners to transition to zero-emission vehicles and equipment. The

1 department and voucher program third-party administrator must
2 condition vehicle and infrastructure voucher funding to ensure these
3 program policy goals are furthered through the voucher funding
4 provided.

5 (vi) Consistent with voucher program design, the department is
6 required to distribute funds to the voucher program third-party
7 administrator sufficiently in advance of final requirements for
8 voucher distribution being met to facilitate the voucher's timely
9 distribution by the third-party administrator to sellers of zero-
10 emission vehicles and infrastructure.

11 (4) \$10,000,000 of the carbon emissions reduction account—state
12 appropriation is provided solely for grants, and to serve as a state
13 match for secured federal funds, to finance hydrogen refueling
14 infrastructure for medium and heavy-duty vehicles with a focus on
15 locations in disadvantaged and overburdened communities, where
16 possible. The department, in consultation with the interagency
17 electric vehicle coordinating council, should pursue any federal
18 funding available through the charging and fueling infrastructure
19 discretionary grant program and any other sources under the federal
20 infrastructure investment and jobs act (P.L. 29 117-58).

21 (5) \$800,000 of the carbon emissions reduction account—state
22 appropriation is provided solely for the cities of Bellevue and
23 Redmond to each purchase an electric fire engine.

24 (6) \$1,725,000 of the carbon emissions reduction account—state
25 appropriation is provided solely for a Tacoma Public Utilities
26 medium-duty zero-emission utility service vehicle pilot project that
27 includes charging infrastructure and mobile battery units.

28 NEW SECTION. **Sec. 216. FOR THE DEPARTMENT OF TRANSPORTATION—**
29 **HIGHWAY MAINTENANCE—PROGRAM M**

30	Motor Vehicle Account—State Appropriation.	\$576,909,000
31	Motor Vehicle Account—Federal Appropriation.	\$7,000,000
32	Move Ahead WA Account—State Appropriation.	\$50,000,000
33	Puget Sound Gateway Facility Account—State	
34	Appropriation.	\$3,402,000
35	RV Account—State Appropriation.	\$1,100,000
36	State Route Number 520 Corridor Account—State	
37	Appropriation.	\$4,736,000
38	Tacoma Narrows Toll Bridge Account—State	

1	Appropriation.	\$1,585,000
2	Alaskan Way Viaduct Replacement Project Account—	
3	State Appropriation.	\$8,752,000
4	Interstate 405 and State Route Number 167 Express	
5	Toll Lanes Account—State Appropriation.	\$2,624,000
6	TOTAL APPROPRIATION.	\$656,108,000

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

9 (1) \$5,000,000 of the motor vehicle account—state appropriation
10 is provided solely for a contingency pool for snow and ice removal.
11 The department must notify the office of financial management and the
12 transportation committees of the legislature when they have spent the
13 base budget for snow and ice removal and will begin using the
14 contingency pool funding.

15 (2) (a) \$7,000,000 of the motor vehicle account—state
16 appropriation is provided solely for the department to address the
17 risks to safety and public health associated with homeless
18 encampments on department owned rights-of-way. The department must
19 coordinate and work with local government officials and social
20 service organizations who provide services and direct people to
21 housing alternatives that are not in highway rights-of-way to help
22 prevent future encampments from forming on highway rights-of-way and
23 may reimburse the organizations doing this outreach assistance who
24 transition people into treatment or housing or for debris clean up on
25 highway rights-of-way. A minimum of \$2,000,000 of this appropriation
26 must be used to deliver more frequent removal of litter on the
27 highway rights-of-way that is generated by unsheltered people and may
28 be used to hire crews specializing in collecting and disposing of
29 garbage, clearing debris or hazardous material, and implementing
30 safety improvements where hazards exist to the traveling public and
31 department employees. The department may use these funds to either
32 reimburse local law enforcement costs or the Washington state patrol
33 if they are providing enhanced safety to department staff during
34 debris cleanup or during efforts to prevent future encampments from
35 forming on highway rights-of-way.

36 (b) Beginning November 1, 2023, and semiannually thereafter, the
37 Washington state patrol and the department of transportation must
38 jointly submit a report to the governor and the transportation

1 committees of the legislature on the status of these efforts,
2 including:

3 (i) A summary of the activities related to addressing
4 encampments, including information on arrangements with local
5 governments or other entities related to these activities;

6 (ii) A description of the planned activities in the ensuing two
7 quarters to further address the emergency hazards and risks along
8 state highway rights-of-way; and

9 (iii) Recommendations for executive branch or legislative action
10 to achieve the desired outcome of reduced emergency hazards and risks
11 along state highway rights-of-way.

12 (3) (a) \$1,000,000 of the motor vehicle account—state
13 appropriation is provided solely for a partnership program between
14 the department and the city of Spokane, to be administered in
15 conjunction with subsection (2) of this section. The program must
16 address the safety and public health problems created by homeless
17 encampments on the department's property along state highways within
18 the city limits. \$555,000 of the motor vehicle account—state
19 appropriation is for dedicated department maintenance staff and
20 associated clean-up costs.

21 (b) The department and the city of Spokane shall enter into a
22 reimbursable agreement to cover up to \$445,000 of the city's expenses
23 for clean-up crews and landfill costs.

24 (4) \$1,025,000 of the motor vehicle account—state appropriation
25 is provided solely for the department to implement safety
26 improvements and debris clean up on department-owned rights-of-way in
27 the city of Seattle at levels above that being implemented as of
28 January 1, 2019, to be administered in conjunction with subsection
29 (2) of this section. The department must maintain a crew dedicated
30 solely to collecting and disposing of garbage, clearing debris or
31 hazardous material, and implementing safety improvements where
32 hazards exist to the traveling public, department employees, or
33 people encamped upon department-owned rights-of-way. The department
34 may request assistance from the Washington state patrol as necessary
35 in order for both agencies to provide enhanced safety-related
36 activities regarding the emergency hazards along state highway
37 rights-of-way in the Seattle area.

38 (5) \$1,015,000 of the motor vehicle account—state appropriation
39 is provided solely for a partnership program between the department

1 and the city of Tacoma, to be administered in conjunction with
 2 subsection (2) of this section. The program must address the safety
 3 and public health problems created by homeless encampments on the
 4 department's property along state highways within the city limits.
 5 \$570,000 of the motor vehicle account—state appropriation is for
 6 dedicated department maintenance staff and associated clean-up costs.
 7 The department and the city of Tacoma shall enter into a reimbursable
 8 agreement to cover up to \$445,000 of the city's expenses for clean-up
 9 crews and landfill costs.

10 (6) To the greatest extent practicable, the department shall
 11 schedule mowing along state highways to occur after litter pickup has
 12 been performed in the area to be mowed. This subsection is not
 13 intended to prevent mowing or other similar maintenance activities
 14 from being undertaken in the event litter pickup has not been
 15 performed.

16 NEW SECTION. **Sec. 217. FOR THE DEPARTMENT OF TRANSPORTATION—**
 17 **TRANSPORTATION OPERATIONS—PROGRAM Q—OPERATING**

18	Highway Safety Fund—State Appropriation.	\$10,621,000
19	Motor Vehicle Account—State Appropriation.	\$90,158,000
20	Motor Vehicle Account—Federal Appropriation.	\$2,102,000
21	Motor Vehicle Account—Private/Local Appropriation.	\$294,000
22	Move Ahead WA Account—State Appropriation.	\$3,074,000
23	Multimodal Transportation Account—State	
24	Appropriation.	\$5,000,000
25	State Route Number 520 Corridor Account—State	
26	Appropriation.	\$247,000
27	Tacoma Narrows Toll Bridge Account—State	
28	Appropriation.	\$44,000
29	Alaskan Way Viaduct Replacement Project Account—	
30	State Appropriation.	\$1,122,000
31	Interstate 405 and State Route Number 167 Express	
32	Toll Lanes Account—State Appropriation.	\$36,000
33	TOTAL APPROPRIATION.	\$112,698,000

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

36 (1) \$6,000,000 of the motor vehicle account—state appropriation
 37 is provided solely for low-cost enhancements. The department shall
 38 give priority to low-cost enhancement projects that improve safety or

1 provide congestion relief. By December 15th of each odd-numbered
2 year, the department shall provide a report to the legislature
3 listing all low-cost enhancement projects completed in the prior
4 fiscal biennium.

5 (2) (a) During the 2025-2027 fiscal biennium, the department shall
6 continue a pilot program that expands private transportation
7 providers' access to high occupancy vehicle lanes. Under the pilot
8 program, when the department reserves a portion of a highway based on
9 the number of passengers in a vehicle, the following vehicles must be
10 authorized to use the reserved portion of the highway if the vehicle
11 has the capacity to carry eight or more passengers, regardless of the
12 number of passengers in the vehicle: (i) Auto transportation company
13 vehicles regulated under chapter 81.68 RCW; (ii) passenger charter
14 carrier vehicles regulated under chapter 81.70 RCW, except marked or
15 unmarked stretch limousines and stretch sport utility vehicles as
16 defined under department of licensing rules; (iii) private nonprofit
17 transportation provider vehicles regulated under chapter 81.66 RCW;
18 and (iv) private employer transportation service vehicles. For
19 purposes of this subsection, "private employer transportation
20 service" means regularly scheduled, fixed-route transportation
21 service that is offered by an employer for the benefit of its
22 employees. Nothing in this subsection is intended to authorize the
23 conversion of public infrastructure to private, for-profit purposes
24 or to otherwise create an entitlement or other claim by private users
25 to public infrastructure.

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

36 (c) The department shall expand the high occupancy vehicle lane
37 access pilot program to for hire nonemergency medical transportation
38 vehicles, when in use for medical purposes, as described in section
39 208(2) of this act. Under the pilot program, when the department
40 reserves a portion of a highway based on the number of passengers in

1 a vehicle, nonemergency medical transportation vehicles that meet the
2 requirements identified in section 208(2) of this act must be
3 authorized to use the reserved portion of the highway.

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

7 (3) The appropriations in this section assume implementation of
8 additional cost recovery mechanisms to recoup at least \$100,000 in
9 credit card and other financial transaction costs related to the
10 collection of fees imposed under RCW 46.17.400, 46.44.090, and
11 46.44.0941 for driver and vehicle fee transactions beginning January
12 1, 2023. The department may recover transaction fees incurred through
13 credit card transactions.

14 (4) \$5,000,000 of the multimodal transportation account—state
15 appropriation is provided solely for the department to address
16 emergent issues related to safety for pedestrians and bicyclists.
17 Funds may only be spent after approval from the office of financial
18 management. By December 15th of each odd-numbered year, the
19 department shall provide a report to the legislature listing all
20 emergent issues addressed in the prior fiscal biennium.

21 (5) \$10,621,000 of the highway safety account—state appropriation
22 is provided solely for implementation of chapter 17, Laws of 2023
23 (speed safety cameras).

24 (6) (a) \$1,900,000 of the motor vehicle account—state
25 appropriation is provided solely for the department, in coordination
26 with the independent review team of the joint transportation
27 committee, to conduct an analysis of highway, road, and freight rail
28 transportation needs, options, and impacts from shifting the movement
29 of freight and goods that currently move by barge through the lower
30 Snake river dams to highways, other roads, and rail. This is a
31 reappropriation of funds appropriated in the 2023-2025 fiscal
32 biennium. The study should generate volume estimates and evaluate
33 scenarios for changes in infrastructure and operations that would be
34 necessary to address those additional volumes. The assessment must
35 include quantitative analysis based on available data in terms of
36 both financial and carbon emission costs; and qualitative input
37 gathered from tribal governments, local governments, freight
38 interests, and other key stakeholders, including impacts on
39 disadvantaged/underserved communities. The analysis must include a

1 robust public engagement process to solicit feedback from interested
2 stakeholders including but not limited to: Residents and officials in
3 affected cities and counties; stakeholders involved in railroad,
4 agriculture, fishing, trucking, shipping and other related
5 industries; appropriate Native American tribes; representatives of
6 advocacy and community organizations; and transportation, public
7 works, and economic development organizations in the affected areas,
8 federal highway administration and army corps of engineers. The
9 analysis must be informed by the work of the joint transportation
10 committee's independent review team, and must include the following:

11 (i) Existing volumes and traffic patterns;

12 (ii) Potential changes in volumes and traffic patterns
13 immediately following the loss of freight movement by barge and over
14 the following 20 years, including the carbon emissions impact of this
15 mode shift;

16 (iii) Identification of whether regional geography, land
17 availability, and state and federal regulatory processes would allow
18 for rail and road expansions and increased capacity;

19 (iv) Identification of potential infrastructure and operational
20 improvements to existing highways, other roads, and rail, including
21 additional access to facilities, needed to accommodate the higher
22 freight volumes and impacts and potential opportunities to mitigate
23 impacts on shipping rates;

24 (v) Identification of rail line development options, including
25 impacts and potential opportunities to mitigate impacts on grain
26 storage and handling facilities at regional unit train yards and port
27 export facilities;

28 (vi) An assessment of costs associated with mitigating potential
29 slope failure and stabilization necessitated by the drawdown of the
30 river. An assessment of impacts and potential opportunities to
31 mitigate impacts on adjacent roads, bridges, railroads, and utility
32 corridors shall be included;

33 (vii) Both financial and carbon cost estimates for development
34 and implementation of identified needs and options, including
35 planning, design, and construction;

36 (viii) Analysis of the impacts and potential opportunities to
37 mitigate impacts of these infrastructure changes on environmental
38 justice and disadvantaged/underserved communities during
39 construction, as well as from future operations;

1 (ix) Analysis of safety impacts and potential opportunities to
2 mitigate impacts for a shift from barge transportation to rail or
3 truck, including increases in rural community traffic and consistency
4 with the Washington State Strategic Highway Safety Plan: Target Zero;

5 (x) Impacts and potential opportunities to mitigate impacts on
6 highly affected commodities, including agriculture, petroleum,
7 project cargo, and wind energy components;

8 (xi) Analysis of the impacts and potential opportunities to
9 mitigate impacts that reduced competition resulting from removing
10 barging of agricultural products on the Snake river would have on
11 Washington's agricultural industry along with impacts modal shifts
12 would have on the entire supply chain, including export facilities
13 and ports on the Lower Columbia River; and

14 (xii) Determination of the feasibility that additional east-west
15 freight rail capacity can be achieved, particularly through Columbia
16 River Gorge, and the alternative routes that exist in the event that
17 adding more infrastructure on these routes is not feasible.

18 (b) The department shall provide status updates on a quarterly
19 basis in coordination with the joint transportation committee. The
20 department must submit a final report to the governor and the
21 transportation committees of the legislature by December 31, 2026.

22 NEW SECTION. **Sec. 218. FOR THE DEPARTMENT OF TRANSPORTATION—**
23 **TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S**

24	Motor Vehicle Account—State Appropriation.	\$45,951,000
25	Motor Vehicle Account—Federal Appropriation.	\$780,000
26	Motor Vehicle Account—Private/Local Appropriation.	\$500,000
27	Move Ahead WA Flexible Account—State Appropriation.	\$5,400,000
28	Puget Sound Ferry Operations Account—State	
29	Appropriation.	\$510,000
30	Multimodal Transportation Account—State	
31	Appropriation.	\$7,920,000
32	State Route Number 520 Corridor Account—State	
33	Appropriation.	\$220,000
34	Tacoma Narrows Toll Bridge Account—State	
35	Appropriation.	\$136,000
36	Alaskan Way Viaduct Replacement Project Account—	
37	State Appropriation.	\$127,000
38	Interstate 405 and State Route Number 167 Express	

1	Toll Lanes Account—State Appropriation.	\$114,000
2	TOTAL APPROPRIATION.	\$61,658,000

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

5 (1) \$2,000,000 of the motor vehicle account—state appropriation
6 and \$5,400,000 of the move ahead WA flexible account—state
7 appropriation are provided solely for efforts to increase diversity
8 in the transportation construction workforce through:

9 (a) The preapprenticeship support services (PASS) and career
10 opportunity maritime preapprenticeship support services (COMPASS)
11 programs, which aim to increase diversity in the highway construction
12 and maritime workforces and prepare individuals interested in
13 entering the highway construction and maritime workforces. In
14 addition to the services allowed under RCW 47.01.435, the PASS and
15 COMPASS programs may provide housing assistance for youth aging out
16 of the foster care and juvenile rehabilitation systems to support
17 their participation in a transportation-related preapprenticeship
18 program and support services to obtain necessary maritime documents
19 and coast guard certification; and

20 (b) Assisting minority and women-owned businesses to perform work
21 in the highway construction industry.

22 (2) \$6,791,000 of the multimodal transportation account—state
23 appropriation is provided solely for the department to complete the
24 upgrade of the transportation reporting and accounting information
25 system to the current cloud version of the software.

26 NEW SECTION. **Sec. 219. FOR THE DEPARTMENT OF TRANSPORTATION—**
27 **TRANSPORTATION PLANNING, DATA, AND RESEARCH—PROGRAM T**

28	Motor Vehicle Account—State Appropriation.	\$33,143,000
29	Motor Vehicle Account—Federal Appropriation.	\$38,760,000
30	Motor Vehicle Account—Private/Local Appropriation.	\$400,000
31	Move Ahead WA Flexible Account—State Appropriation.	\$6,379,000
32	Multimodal Transportation Account—State	
33	Appropriation.	\$1,803,000
34	Multimodal Transportation Account—Federal	
35	Appropriation.	\$2,823,000
36	Multimodal Transportation Account—Private/Local	
37	Appropriation.	\$100,000
38	TOTAL APPROPRIATION.	\$83,408,000

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

3 (1) \$140,000 of the multimodal transportation account—state
4 appropriation is provided solely for the city of Seattle's office of
5 planning and community development to continue to support an
6 equitable development initiative to reconnect the South Park
7 neighborhood, currently divided by state route number 99.

8 (a) The support work must include:

9 (i) A public engagement and visioning process led by a
10 neighborhood-based, community organization; and

11 (ii) A feasibility study of decommissioning state route number 99
12 in the South Park neighborhood to include, but not be limited to,
13 traffic studies, environmental impact analysis, and development of
14 alternatives, including the transfer of the land to a neighborhood-
15 led community land trust.

16 (b) The support work must be conducted in coordination and
17 partnership with neighborhood residents, neighborhood industrial and
18 commercial representatives, the state department of transportation,
19 and other entities and neighborhoods potentially impacted by changes
20 to the operation of state route number 99.

21 (c) The city must provide an interim report on progress to date
22 to the Seattle city council, state department of transportation, and
23 the transportation committees of the legislature by June 30, 2025 and
24 a final report that includes recommendations by June 30, 2027.

25 (2) \$1,557,000 of the motor vehicle account—state appropriation
26 is provided solely for the department to complete the upgrade of the
27 department's linear referencing system (LRS) and highway performance
28 monitoring system (HPMS).

29 (3)(a) The entire move ahead WA flexible account—state
30 appropriation is provided solely for an Interstate 5 planning and
31 environmental linkage study and a statewide Interstate 5 master plan,
32 building upon existing work under way in the corridor.

33 (b) The work under (a) of this subsection must include, but is
34 not limited to, the following:

35 (i) Seismic resiliency planning to refine the level of effort and
36 develop informed cost estimates for the seismic vulnerability
37 analysis;

- 1 (ii) HOV lane system-wide performance planning and initial steps
 2 to launch a pilot project that progresses innovative and emerging
 3 technologies;
- 4 (iii) Interstate 5 corridor planning work, including development
 5 of a framework, coordination of corridor needs, development of core
 6 evaluation criteria and a prioritization process, and identification
 7 of early action priority projects that address safety or resiliency,
 8 or both, along the corridor; and
- 9 (iv) An interim report on the progress of the Interstate 5 master
 10 plan to the transportation committees of the legislature and the
 11 office of financial management by June 30, 2026.

12 NEW SECTION. **Sec. 220. FOR THE DEPARTMENT OF TRANSPORTATION—**
 13 **CHARGES FROM OTHER AGENCIES—PROGRAM U**

14	Aeronautics Account—State Appropriation.	\$1,000
15	Transportation Partnership Account—State	
16	Appropriation.	\$56,000
17	Motor Vehicle Account—State Appropriation.	\$119,134,000
18	Puget Sound Ferry Operations Account—State	
19	Appropriation.	\$244,000
20	State Route Number 520 Corridor Account—State	
21	Appropriation.	\$69,000
22	Connecting Washington Account—State Appropriation.	\$452,000
23	Multimodal Transportation Account—State	
24	Appropriation.	\$6,781,000
25	Tacoma Narrows Toll Bridge Account—State	
26	Appropriation.	\$43,000
27	Alaskan Way Viaduct Replacement Project Account—	
28	State Appropriation.	\$38,000
29	Interstate 405 and State Route Number 167 Express	
30	Toll Lanes Account—State Appropriation.	\$43,000
31	TOTAL APPROPRIATION.	\$126,861,000

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

- 34 (1) Consistent with existing protocol and practices, for any
 35 negotiated settlement of a claim against the state for the department
 36 that exceeds \$5,000,000, the department, in conjunction with the
 37 attorney general and the department of enterprise services, shall

1 notify the director of the office of financial management and the
2 transportation committees of the legislature.

3 (2) On August 1, 2025, and semiannually thereafter, the
4 department, in conjunction with the attorney general and the
5 department of enterprise services, shall provide a report with
6 judgments and settlements dealing with the Washington state ferry
7 system to the director of the office of financial management and the
8 transportation committees of the legislature. The report must include
9 information on: (a) The number of claims and settlements by type; (b)
10 the average claim and settlement by type; (c) defense costs
11 associated with those claims and settlements; and (d) information on
12 the impacts of moving legal costs associated with the Washington
13 state ferry system into the statewide self-insurance pool.

14 (3) On August 1, 2025, and semiannually thereafter, the
15 department, in conjunction with the attorney general and the
16 department of enterprise services, shall provide a report with
17 judgments and settlements dealing with the nonferry operations of the
18 department to the director of the office of financial management and
19 the transportation committees of the legislature. The report must
20 include information on: (a) The number of claims and settlements by
21 type; (b) the average claim and settlement by type; and (c) defense
22 costs associated with those claims and settlements.

23 (4) When the department identifies significant legal issues that
24 have potential transportation budget implications, the department
25 must initiate a briefing for appropriate legislative members or staff
26 through the office of the attorney general and its legislative
27 briefing protocol.

28 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF TRANSPORTATION—**
29 **PUBLIC TRANSPORTATION—PROGRAM V**

30 Carbon Emissions Reduction Account—State	
31 Appropriation.	\$4,800,000
32 Climate Transit Programs Account—State Appropriation.	\$272,750,000
33 State Vehicle Parking Account—State Appropriation.	\$784,000
34 Rural Mobility Grant Program Account—State	
35 Appropriation.	\$32,223,000
36 Multimodal Transportation Account—State	
37 Appropriation.	\$76,481,000
38 Multimodal Transportation Account—Federal	

1	Appropriation.	\$4,502,000
2	Multimodal Transportation Account—Private/Local	
3	Appropriation.	\$100,000
4	TOTAL APPROPRIATION.	\$391,640,000

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

7 (1) \$62,698,000 of the multimodal transportation account—state
8 appropriation and \$78,525,000 of the climate transit programs account
9 —state appropriation are provided solely for a grant program for
10 special needs transportation provided by transit agencies and
11 nonprofit providers of transportation. Of this amount:

12 (a) \$14,420,000 of the multimodal transportation account—state
13 appropriation and \$17,963,000 of the climate transit programs account
14 —state appropriation are provided solely for grants to nonprofit
15 providers of special needs transportation. Grants for nonprofit
16 providers must be based on need, including the availability of other
17 providers of service in the area, efforts to coordinate trips among
18 providers and riders, and the cost effectiveness of trips provided.

19 (b) \$48,278,000 of the multimodal transportation account—state
20 appropriation and \$60,137,000 of the climate transit programs account
21 —state appropriation are provided solely for grants to transit
22 agencies to transport persons with special transportation needs. To
23 receive a grant, the transit agency must, to the greatest extent
24 practicable, have a maintenance of effort for special needs
25 transportation that is no less than the previous year's maintenance
26 of effort for special needs transportation. Grants for transit
27 agencies must be prorated based on the amount expended for demand
28 response service and route deviated service in calendar year 2023 as
29 reported in the "2023 Summary of Public Transportation" published by
30 the department of transportation. No transit agency may receive more
31 than 30 percent of these distributions.

32 (c) \$425,000 of the climate transit programs account—state
33 appropriation is provided solely for the reappropriation of amounts
34 provided for this purpose in the 2023-2025 fiscal biennium.

35 (2) \$32,223,000 of the rural mobility grant program account—state
36 appropriation is provided solely for grants to aid small cities in
37 rural areas as prescribed in RCW 47.66.100.

38 (3) \$5,700,000 of the multimodal transportation account—state
39 appropriation, \$3,300,000 of the climate transit programs account—

1 state appropriation, and \$784,000 of the state vehicle parking
2 account—state appropriation are provided solely for CTR grants and
3 activities.

4 (4) The department shall not require more than a 10 percent match
5 from nonprofit transportation providers for state grants.

6 (5) \$188,900,000 of the climate transit programs account—state
7 appropriation is provided solely for transit support grants for
8 public transit agencies that have adopted and maintained a zero-fare
9 policy for youth 18 years of age and under. The department must
10 confirm zero-fare policies are in effect at transit agencies to be
11 eligible for biennial distributions.

12 (6) \$2,000,000 of the climate transit programs account—state
13 appropriation is provided solely for newly selected transit
14 coordination grants. The department shall prioritize grant proposals
15 that promote the formation of joint partnerships between transit
16 agencies or merge service delivery across entities.

17 (7) \$1,124,000 of the multimodal transportation account—state
18 appropriation is provided solely for the department to provide a
19 statewide vanpool benefit for all state employees. For department
20 employees working in remote job sites, such as mountain passes, the
21 department must ensure employees are able to access job sites via a
22 subsidized vanpool or provide a modal alternative for the "last mile"
23 to ensure employees can access the job site without additional
24 charge.

25 (8) \$500,000 of the carbon emissions reduction account—state
26 appropriation is provided solely for an interagency transfer to the
27 Washington State University extension energy program to administer a
28 technical assistance and education program for public agencies on the
29 use of alternative fuel vehicles. The Washington State University
30 extension energy program shall prepare a report regarding the
31 utilization of the program and submit this report to the
32 transportation committees of the legislature and the office of
33 financial management by November 15, 2025.

34 (9) \$3,400,000 of the carbon emissions reduction account—state
35 appropriation is reappropriated and provided solely for the pilot
36 program established under chapter 287, Laws of 2019 (advancing green
37 transportation adoption) to provide clean alternative fuel vehicle
38 use opportunities to underserved communities and low to moderate
39 income members of the workforce not readily served by transit or

1 located in transportation corridors with emissions that exceed
2 federal or state emissions standards.

3 (10) \$900,000 of the carbon emissions reduction account—state
4 appropriation is reappropriated and provided solely for the
5 department to implement certain recommendations from the 2023
6 frequent transit service study. The department shall define levels
7 and types of demand-response service and measure access to these
8 services within Washington for the purpose of gaining a fuller
9 picture of transit access. The department must collect ongoing
10 transportation data and develop systems to allow for analysis of
11 disparities in access to existing fixed route transit. The data
12 collection should prioritize collecting information on accessibility
13 and inclusion of people with disabilities, vulnerable populations in
14 overburdened communities, and other underserved communities. The
15 department shall submit a report on data collection efforts to the
16 transportation committees of the legislature and the office of
17 financial management by June 30, 2026.

18 NEW SECTION. **Sec. 222. FOR THE DEPARTMENT OF TRANSPORTATION—**
19 **MARINE—PROGRAM X**

20	Puget Sound Ferry Operations Account—State	
21	Appropriation.	\$678,789,000
22	Puget Sound Ferry Operations Account—Federal	
23	Appropriation.	\$115,315,000
24	Puget Sound Ferry Operations Account—Private/Local	
25	Appropriation.	\$121,000
26	TOTAL APPROPRIATION.	\$794,225,000

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

29 (1) The office of financial management budget instructions
30 require agencies to recast enacted budgets into activities. The
31 Washington state ferries shall include a greater level of detail in
32 its 2025-2027 supplemental and 2027-2029 omnibus transportation
33 appropriations act requests, as determined jointly by the office of
34 financial management, the Washington state ferries, and the
35 transportation committees of the legislature. This level of detail
36 must include the administrative functions in the operating as well as
37 capital programs. The data in the tables in the report must be
38 supplied in a digital file format.

1 (2) \$75,047,000 of the Puget Sound ferry operations account—
2 federal appropriation and \$24,425,000 of the Puget Sound ferry
3 operations account—state appropriation are provided solely for auto
4 ferry vessel operating fuel in the 2025-2027 fiscal biennium, which
5 reflect cost savings from a reduced biodiesel fuel requirement and,
6 therefore, is contingent upon the enactment of section 703, chapter
7 472, Laws of 2023. The amount provided in this subsection represents
8 the fuel budget for the purposes of calculating any ferry fare fuel
9 surcharge. The department shall review future use of alternative
10 fuels and dual fuel configurations, including hydrogen.

11 (3) \$500,000 of the Puget Sound ferry operations account—state
12 appropriation is provided solely for operating costs related to
13 moving vessels for emergency capital repairs. Funds may only be spent
14 after approval by the office of financial management.

15 (4) The department must work to increase its outreach and
16 recruitment of populations underrepresented in maritime careers and
17 continue working to expand apprenticeship and internship programs,
18 with an emphasis on programs that are shown to improve recruitment
19 for positions with the state ferry system.

20 (5) During negotiations of the 2027-2029 collective bargaining
21 agreements, the department must conduct a review and analysis of the
22 collective bargaining agreements governing state ferry employees, to
23 identify provisions that create barriers for, or contribute to
24 creating a disparate impact on, newly hired ferry employees,
25 including those who are women, people of color, veterans, and other
26 employees belonging to communities that have historically been
27 underrepresented in the workforce. The review and analysis must
28 incorporate, to the extent practicable, the findings and
29 recommendations from the December 2022 joint transportation committee
30 study on Washington state ferries' workforce, and must also include,
31 but not be limited to, provisions regarding seniority, work
32 assignments, and work shifts. The review and analysis must also
33 include consultation with the governor's office of labor relations,
34 the governor's office of equity, and the attorney general's office.

35 (6) \$10,802,000 of the Puget Sound ferry operations account—state
36 appropriation is provided solely for the following:

37 (a) \$6,032,000 is for the Kitsap transit passenger ferry to
38 supplement service on the Seattle-Bremerton route.

1 (b) \$4,770,000 is for the temporary expanded weekday midday King
2 county water taxi service support to and from Vashon Island.

3 (7) \$2,548,000 of the Puget Sound ferry operations account—state
4 appropriation is provided solely for security services at Colman
5 Dock.

6 (8) \$13,900,000 of the Puget Sound ferry operations account—state
7 appropriation is provided solely for overtime and familiarization
8 expenses incurred by engine, deck, and terminal staff. The department
9 must provide updated staffing cost estimates for fiscal years 2026
10 and 2027 with its annual budget submittal and updated estimates by
11 January 1, 2026.

12 (9) \$1,100,000 of the Puget Sound ferry operations account—state
13 appropriation is provided solely for traffic control at ferry
14 terminals at Seattle, Fauntleroy, Kingston, Edmonds, Mukilteo, and
15 Bainbridge Island, during peak ferry travel times, with a particular
16 focus on Sundays and holiday weekends.

17 (10) By December 31st of each year, as part of the annual ferries
18 division performance report, the department must report on the status
19 of efforts to increase the staff available for maintaining the
20 customary level of ferry service, including staff for deck, engine,
21 and terminals. The report must include data for a 12-month period up
22 to the most recent data available, by staff group, showing the number
23 of employees at the beginning of the 12-month period, the number of
24 new employees hired, the number of employees separating from service,
25 and the number of employees at the end of the 12-month period. The
26 department report on additional performance measures must include:

27 (a) Numbers of trip cancellations due to crew availability or
28 vessel mechanical issues;

29 (b) Current level of service compared to the full-service
30 schedules in effect in 2019; and

31 (c) Retention rates of employees who have completed on the job
32 workforce development programs and overall employee retention rates.

33 (11) \$32,500,000 of the Puget Sound ferry operations account—
34 state appropriation is provided solely for the department to increase
35 deck and engine positions across the system, prioritizing positions
36 that will mitigate crew related cancellations and reduce overtime
37 expenditures. The department must include an update on the number of
38 positions hired by job class as part of the annual performance
39 report.

1 (12) \$1,518,000 of the Puget Sound ferry operations account—state
2 appropriation is provided solely for the implementation of chapter
3 188, Laws of 2023 (state ferry workforce development issues).

4 NEW SECTION. **Sec. 223. FOR THE DEPARTMENT OF TRANSPORTATION—**
5 **RAIL—PROGRAM Y—OPERATING**

6 Carbon Emissions Reduction Account—State
7 Appropriation. \$2,000,000
8 Multimodal Transportation Account—State
9 Appropriation. \$81,146,000
10 Multimodal Transportation Account—Private/Local
11 Appropriation. \$46,000
12 TOTAL APPROPRIATION. \$83,192,000

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

15 (1) The department shall continue to provide high quality
16 intercity passenger rail service, align planning efforts for
17 continued growth and on-time performance improvements consistent with
18 federally recognized corridor development programs, and implement
19 improvements consistent with planning efforts through leveraging
20 federal funding opportunities. New passenger rail equipment is
21 essential to service enhancements. The department shall make every
22 effort to coordinate with service partners to prepare for the arrival
23 of new trainsets and implementation of service enhancements. A status
24 report must be provided to the transportation committees of the
25 legislature and the office of financial management by December 1,
26 2026.

27 (2) The department must continue to pursue funding opportunities
28 for the Cascades corridor though the corridor identification and
29 development program and the federal-state partnership programs at the
30 federal rail administration. The department must notify the office of
31 the governor and the transportation committees of the legislature of
32 funding opportunities from the programs and any corresponding state
33 match needs.

34 NEW SECTION. **Sec. 224. FOR THE DEPARTMENT OF TRANSPORTATION—**
35 **LOCAL PROGRAMS—PROGRAM Z—OPERATING**

36 Carbon Emissions Reduction Account—State
37 Appropriation. \$274,000

1	Motor Vehicle Account—State Appropriation.	\$13,876,000
2	Motor Vehicle Account—Federal Appropriation.	\$2,671,000
3	Multiuse Roadway Safety Account—State Appropriation.	\$450,000
4	Multimodal Transportation Account—State	
5	Appropriation.	\$1,250,000
6	TOTAL APPROPRIATION.	\$18,521,000

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

9 (1) \$750,000 of the multimodal transportation account—state
10 appropriation is provided solely for a grant program to support local
11 initiatives that expand or establish civilian intervention programs
12 for nonmoving violations, focusing on nonpunitive interventions such
13 as helmet voucher programs, fee offset programs, fix-it tickets, and
14 repair vouchers that provide solutions for vehicle equipment failures
15 for low-income road users.

16 (a) Grants must be awarded to local jurisdictions based on
17 locally developed proposals to establish or expand existing programs,
18 including programs with community led organizations. Eligible
19 jurisdictions under the grant program include cities, counties,
20 tribal government entities, tribal organizations, law enforcement
21 agencies, or nonprofit organizations.

22 (b) The department shall report on its website by December 1st of
23 each year on the recipients, locations, and types of projects funded
24 under this subsection.

25 (2) \$146,000 of the motor vehicle account—state appropriation is
26 provided solely for the implementation of chapter 428, Laws of 2023
27 (Wahkiakum ferry).

28 (3) \$274,000 of the carbon emissions reduction account—state
29 appropriation is provided solely to support Pierce, Skagit, Whatcom,
30 and Wahkiakum county ferries with youth zero-fare policies.

31 (4) \$150,000 of the motor vehicle account—state appropriation is
32 provided solely for the department to fund one full-time equivalent
33 liaison position within the local program multiagency permit program.
34 Within the amounts provided in this subsection, the department shall
35 work to enhance its multiagency permit program capabilities, with an
36 emphasis on multiagency agreements that streamline, prioritize, and
37 expedite project-level and programmatic permits and approvals. The
38 department shall review current multiagency permit program practices
39 and provide a report with recommendations on the enhancement of the

1 program to the transportation committees of the legislature by
2 December 1, 2026.

3 NEW SECTION. **Sec. 225. FOR THE DEPARTMENT OF TRANSPORTATION—**
4 **CLEAN FUELS CREDIT PROGRAM**

5 The department of transportation, with the assistance of
6 designated staff in the department, must register for the clean fuels
7 credit program and start tracking revenue generation pursuant to
8 chapter 70A.535 RCW for investments funded in an omnibus
9 transportation appropriations act. The omnibus transportation
10 appropriations act anticipates credits for ferry electrification for
11 new hybrid electric vessels, active transportation, transit programs
12 and projects, alternative fuel infrastructure, connecting
13 communities, and multimodal investments.

(End of part)

1 **TRANSPORTATION AGENCIES—CAPITAL**

2 NEW SECTION. **Sec. 301. FOR THE WASHINGTON STATE PATROL**

3 State Patrol Highway Account—State Appropriation. \$3,745,000

4 The appropriation in this section is subject to the following
5 conditions and limitations: The appropriation is provided solely for
6 ongoing maintenance and preservation of equipment and facilities.

7 NEW SECTION. **Sec. 302. FOR THE COUNTY ROAD ADMINISTRATION BOARD**

8 Move Ahead WA Account—State Appropriation. \$9,333,000

9 Rural Arterial Trust Account—State Appropriation. \$51,573,000

10 Motor Vehicle Account—State Appropriation. \$2,103,000

11 County Arterial Preservation Account—State
12 Appropriation. \$30,242,000

13 TOTAL APPROPRIATION. \$93,251,000

14 NEW SECTION. **Sec. 303. FOR THE TRANSPORTATION IMPROVEMENT BOARD**

15 Small City Pavement and Sidewalk Account—State
16 Appropriation. \$3,953,000

17 Transportation Improvement Account—State
18 Appropriation. \$246,289,000

19 Complete Streets Grant Program Account—State
20 Appropriation. \$14,670,000

21 Climate Active Transportation Account—State
22 Appropriation. \$19,100,000

23 Move Ahead WA Account—State Appropriation. \$9,333,000

24 TOTAL APPROPRIATION. \$293,345,000

25 NEW SECTION. **Sec. 304. FOR THE DEPARTMENT OF TRANSPORTATION—**
26 **FACILITIES—PROGRAM D—(DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)—**
27 **CAPITAL**

28 Motor Vehicle Account—State Appropriation. \$20,158,000

29 Move Ahead WA Account—State Appropriation. \$17,687,000

30 TOTAL APPROPRIATION. \$37,845,000

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

33 (1) \$4,025,000 of the motor vehicle account—state appropriation
34 is provided solely for payments of a financing contract issued

1 pursuant to chapter 39.94 RCW for the department facility located at
2 15700 Dayton Ave N in Shoreline. All payments from the department of
3 ecology pursuant to the agreement with the department to pay a share
4 of the financing contract for this facility must be deposited into
5 the motor vehicle account.

6 (2) \$8,687,000 of the move ahead WA account—state appropriation
7 and \$1,477,000 of the motor vehicle account—state appropriation are
8 provided solely for the department to improve its ability to keep
9 facility assets in a state of good repair. In using the funds
10 appropriated in this subsection, the department must utilize the
11 prioritization of facility capital preservation needs and repair
12 projects developed as the basis of the 2025-2027 fiscal biennium
13 agency budget submittal.

14 (3) \$9,781,000 of the motor vehicle account—state appropriation
15 is provided solely for making improvements to facilities to meet the
16 Washington state clean buildings performance standard.

17 NEW SECTION. **Sec. 305. FOR THE DEPARTMENT OF TRANSPORTATION—**
18 **IMPROVEMENTS—PROGRAM I**

19	Alaskan Way Viaduct Replacement Project Account—	
20	State Appropriation.	\$7,406,000
21	Climate Active Transportation Account—State	
22	Appropriation.	\$2,900,000
23	Move Ahead WA Account—Private/Local Appropriation. . . .	\$223,250,000
24	Transportation Partnership Account—State	
25	Appropriation.	\$9,548,000
26	Motor Vehicle Account—State Appropriation.	\$50,551,000
27	Motor Vehicle Account—Federal Appropriation.	\$380,633,000
28	Motor Vehicle Account—Private/Local Appropriation. . . .	\$53,233,000
29	Connecting Washington Account—State Appropriation. . .	\$1,942,534,000
30	Special Category C Account—State Appropriation.	\$9,884,000
31	Multimodal Transportation Account—State	
32	Appropriation.	\$12,302,000
33	Multimodal Transportation Account—Federal	
34	Appropriation.	\$1,842,000
35	State Route Number 520 Corridor Account—State	
36	Appropriation.	\$1,100,000
37	Interstate 405 and State Route Number 167 Express	
38	Toll Lanes Account—State Appropriation.	\$495,487,000

1	Move Ahead WA Account—State Appropriation.	\$835,412,000
2	Move Ahead WA Account—Federal Appropriation.	\$466,147,000
3	Puget Sound Gateway Facility Account—State	
4	Appropriation.	\$80,305,000
5	Carbon Emissions Reduction Account—State	
6	Appropriation.	\$4,879,000
7	TOTAL APPROPRIATION.	\$4,577,413,000

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

10 (1) Except as provided otherwise in this section, the entire
11 connecting Washington account—state appropriation, the entire move
12 ahead WA account—federal appropriation, the entire move ahead WA
13 account—state appropriation, and the entire transportation
14 partnership account—state appropriation are provided solely for the
15 projects and activities as listed by fund, project, and amount in OFM
16 Transportation Document 2025-1: Proposed Transportation Project List
17 - Highway Improvements Program (I) as developed December 17, 2024.
18 However, limited transfers of specific line-item project
19 appropriations may occur between projects for those amounts listed
20 subject to the conditions and limitations in section 601 of this act.

21 (2) The move ahead WA account—state appropriation includes up to
22 \$708,000,000 in proceeds from the sale of bonds authorized in RCW
23 47.10.873.

24 (3) Except as provided otherwise in this section, the entire
25 motor vehicle account—state appropriation and motor vehicle account—
26 federal appropriation are provided solely for the projects and
27 activities listed in OFM Transportation Document 2025-1: Proposed
28 Transportation Project List - Highway Improvements Program (I) as
29 developed December 17, 2024. Any federal funds gained through
30 efficiencies, adjustments to the federal funds forecast, or the
31 federal funds redistribution process must then be applied to highway
32 and bridge preservation activities.

33 (4) Within the motor vehicle account—state appropriation and
34 motor vehicle account—federal appropriation, the department may
35 transfer appropriation authority between programs I and P, except for
36 appropriation authority that is otherwise restricted in this act, as
37 follows:

38 (a) Ten days prior to any transfer, the department must submit
39 its request to the office of financial management and the

1 transportation committees of the legislature and consider any
2 concerns raised.

3 (b) The director of the office of financial management must first
4 provide written authorization for such transfer to the department and
5 the transportation committees of the legislature.

6 (c) The department shall submit a report on appropriation
7 authority transferred in the prior fiscal year using this subsection
8 as part of the department's annual budget submittal.

9 (5) The connecting Washington account—state appropriation
10 includes up to \$1,942,534,000 in proceeds from the sale of bonds
11 authorized in RCW 47.10.889.

12 (6) The office of financial management may authorize, through an
13 appropriation modification, reductions in the amounts that are
14 provided solely for a particular purpose within this section subject
15 to the following conditions and limitations:

16 (a) The department must confirm that any modification requested
17 under this subsection of amounts provided solely for a specific
18 purpose are not expected to be used for that purpose in this fiscal
19 biennium;

20 (b) Appropriation modifications authorized under this subsection
21 may not result in increased funding for any project beyond the amount
22 provided for that project in the 2025-2027 fiscal biennium in OFM
23 Transportation Document 2025-1: Proposed Transportation Project List
24 as developed December 17, 2024;

25 (c) Appropriation modifications authorized under this subsection
26 apply only to amounts appropriated in this section from the following
27 accounts: Connecting Washington account—state, and move ahead WA
28 account—state; and

29 (d) The office of financial management must provide notice of
30 appropriation modifications authorized under this subsection within
31 10 working days to the transportation committees of the legislature.
32 By December 1, 2025, and December 1, 2026, the department must submit
33 a report to the transportation committees of the legislature
34 regarding the actions taken to date under this subsection.

35 (7) The department shall itemize all future requests for the
36 construction of buildings on a project list and submit them through
37 the transportation executive information system as part of the
38 department's annual budget submittal.

1 (8) The legislature continues to prioritize the replacement of
2 the state's aging infrastructure and recognizes the importance of
3 reusing and recycling construction aggregate and recycled concrete
4 materials in our transportation system. To accomplish Washington
5 state's sustainability goals in transportation and in accordance with
6 RCW 70A.205.700, the legislature reaffirms its determination that
7 recycled concrete aggregate and other transportation building
8 materials are natural resource construction materials that are too
9 valuable to be wasted and landfilled, and are a commodity as defined
10 in WAC 173-350-100.

11 (9) (a) \$39,153,000 of the motor vehicle account—federal
12 appropriation, \$509,000 of the motor vehicle account—state
13 appropriation, \$2,564,000 of the motor vehicle account—local
14 appropriation, and \$116,280,000 of the connecting Washington account—
15 state appropriation are provided solely for the Fish Passage Barrier
16 Removal project (0BI4001) with the intent of fully complying with the
17 federal *U.S. v. Washington* court injunction by 2030.

18 (b) The fish passage barrier removal program, in consultation
19 with the office of innovative partnerships, shall explore
20 opportunities to employ innovative delivery methods to ensure
21 compliance with the court injunction including, but not limited to,
22 public-private partnerships and batched contracts. Appropriations for
23 this purpose may be used to jointly leverage state and local funds
24 for match requirements in applying for competitive federal aid grants
25 provided in the infrastructure investment and jobs act for removals
26 of fish passage barriers under the national culvert removal,
27 replacement, and restoration program. State funds used for the
28 purpose described in this subsection must not compromise full
29 compliance with the court injunction by 2030.

30 (c) The department shall coordinate with the Brian Abbott fish
31 passage barrier removal board to use a watershed approach by
32 replacing both state and local culverts guided by the principle of
33 providing the greatest fish habitat gain at the earliest time. The
34 department shall deliver high habitat value fish passage barrier
35 corrections that it has identified, guided by the following factors:
36 Opportunity to bundle projects, tribal priorities, ability to
37 leverage investments by others, presence of other barriers, project
38 readiness, culvert conditions, other transportation projects in the
39 area, and transportation impacts. The department and Brian Abbott

1 fish barrier removal board must provide updates on the implementation
2 of the statewide culvert remediation plan to the legislature by
3 November 1, 2025, and June 1, 2026.

4 (d) The department must keep track of, for each barrier removed:
5 (i) The location; (ii) the amount of fish habitat gain; and (iii) the
6 amount spent to comply with the injunction.

7 (e) During the 2025-2027 fiscal biennium, the department shall
8 semiannually provide reports of the amounts of federal funding
9 received for this project to the governor and transportation
10 committees of the legislature.

11 (10) (a) \$37,322,000 of the connecting Washington account—state
12 appropriation is provided solely for the SR 3 Freight Corridor
13 (T30400R) project. A total of \$78,910,000 is allocated for this
14 project to safeguard against inflation and supply/labor interruptions
15 and ensure that:

16 (i) The northern terminus remains at Lake Flora Road and the
17 southern terminus at the intersection of SR 3/SR 302; and

18 (ii) Multimodal safety improvements at the southern terminus
19 remain in the project to provide connections to North Mason school
20 district and provide safe routes to schools.

21 (b) With respect to right-of-way acquisition and the construction
22 of the SR 3 Freight Corridor project (T30400R), tribal consultation
23 with the Suquamish tribe shall begin at the earliest stage of
24 planning, including without limitation on all funding decisions and
25 funding programs, to provide a government-to-government mechanism for
26 the tribe to evaluate, identify, and expressly notify governmental
27 entities of any potential impacts to tribal cultural resources,
28 archaeological sites, sacred sites, fisheries, or other rights and
29 interests in tribal lands and lands within which the tribe possesses
30 rights reserved or protected by federal treaty, statute, or executive
31 order. The consultation is independent of, and in addition to, any
32 public participation process required under state law, or by a state
33 agency, including the requirements of Executive Order 21-02 related
34 to archaeological and cultural resources, and regardless of whether
35 the agency receives a request for consultation from the Suquamish
36 tribe. Regularly scheduled tribal consultation meetings with the
37 Suquamish tribe shall continue throughout the duration of any funding
38 or program decisions and proposed project approval.

39 (11) \$20,860,000 of the move ahead WA account—federal
40 appropriation is provided solely for the SR 3/Gorst Area - Widening

1 project (L4000017). Tribal consultation with the Suquamish tribe must
2 begin at the earliest stage of planning, including, without
3 limitation, all funding decisions and funding programs, to provide a
4 government-to-government mechanism for the tribe to evaluate,
5 identify, and expressly notify governmental entities of any potential
6 impacts to tribal cultural resources, archaeological sites, sacred
7 sites, fisheries, or other rights and interests in tribal lands and
8 lands within which the tribe possesses rights reserved or protected
9 by federal treaty, statute, or executive order. The consultation is
10 independent of, and in addition to, any public participation process
11 required under state law, or by a state agency, including the
12 requirements of Executive Order 21-02 related to archaeological and
13 cultural resources, and regardless of whether the agency receives a
14 request for consultation from the Suquamish tribe. Regularly
15 scheduled tribal consultation meetings with the Suquamish tribe must
16 continue throughout the duration of any funding program and proposed
17 project approval.

18 (12) (a) \$134,500,000 of the move ahead WA account—federal
19 appropriation and \$223,250,000 of the move ahead WA account—private/
20 local appropriation are provided solely for the I-5 Columbia river
21 bridge project (L4000054). The legislature finds that the replacement
22 of the I-5 Columbia river bridge is a project of national
23 significance and is critical for the movement of freight. One span is
24 now 105 years old, at risk for collapse in the event of a major
25 earthquake, and no longer satisfies the needs of commerce and travel.
26 Replacing the aging interstate bridge with a modern, seismically
27 resilient, multimodal structure that provides improved mobility for
28 people, goods, and services is a high priority. Therefore, the
29 legislature intends to support the replacement of the I-5 Columbia
30 river bridge with an investment of \$1,000,000,000 over the 16-year
31 move ahead WA investment program.

32 (b) The department shall provide regular updates on the status of
33 ongoing coordination with the state of Oregon on any bistate
34 agreements regarding sharing of revenues, use of revenues, and fiscal
35 responsibilities of each state. Prior to finalizing any such
36 agreement, the department shall provide a draft of the agreement to
37 the transportation committees of the legislature for review and
38 input. Additionally, the department shall continue to advise
39 quarterly on the status of any bistate agreements to the joint
40 transportation committee until any agreements are finalized.

1 (13) \$1,527,000 of the multimodal transportation account—state
2 appropriation, \$27,889,000 of the motor vehicle account—private/local
3 appropriation, \$205,219,000 of the move ahead WA account—federal
4 appropriation, \$165,438,000 of the connecting Washington account—
5 state appropriation, \$80,305,000 of the Puget Sound gateway facility
6 account—state appropriation, and \$208,624,000 of the motor vehicle
7 account—federal appropriation are provided solely for the SR 167/SR
8 509 Puget Sound Gateway project (M00600R).

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

11 (b) In making budget allocations to the Puget Sound Gateway
12 project, the department shall implement the project's construction as
13 a single corridor investment. The department shall continue to
14 collaborate with the affected stakeholders as it implements the
15 corridor construction and implementation plan for state route number
16 167 and state route number 509. Specific funding allocations must be
17 based on where and when specific project segments are ready for
18 construction to move forward and investments can be best optimized
19 for timely project completion. Emphasis must be placed on avoiding
20 gaps in fund expenditures for either project.

21 (c) The entire multimodal transportation account—state
22 appropriation in this subsection is for:

23 (i) The design phase of the Puyallup to Tacoma multiuse trail
24 along the state route number 167 right-of-way acquired for the
25 project to connect a network of new and existing trails from Mount
26 Rainier to Point Defiance Park; and

27 (ii) Segment 2 of the state route number 167 completion project
28 shared-use path to provide connections to the interchange of state
29 route number 167 at 54th to the intersection of state route number
30 509 and Taylor Way in Tacoma.

31 (14) \$15,988,000 of the connecting Washington account—state
32 appropriation is provided solely for the SR 224/Red Mountain Vicinity
33 Improvement project (L1000291). The department shall provide funding
34 to the city of West Richland to complete the project within the
35 identified project scope and within the total amount provided. The
36 department shall not amend the project's scope of work to add
37 pavement preservation on state route number 224 from the West
38 Richland city limits to Antinori Road.

1 (15) \$593,139,000 of the connecting Washington account—state
2 appropriation, \$1,100,000 of the state route number 520 corridor
3 account—state appropriation, and \$7,278,000 of the motor vehicle
4 account—private/local appropriation are provided solely for the SR
5 520 Seattle Corridor Improvements - West End project (M00400R).

6 (16) \$152,000 of motor vehicle account—federal appropriation and
7 \$24,000 of the motor vehicle account—state appropriation are provided
8 solely for the SR 900 Safety Improvements project (L2021118). The
9 department must: (a) Work in collaboration with King county and the
10 Skyway coalition to align community assets, transportation
11 infrastructure needs, and initial design for safety improvements
12 along state route number 900; and (b) work with the Skyway coalition
13 to lead community planning engagement and active transportation
14 activities.

15 (17) \$5,750,000 of the motor vehicle account—federal
16 appropriation is provided solely for a federal fund exchange pilot
17 program. The pilot program must allow exchanges of federal surface
18 transportation block grant population funding and state funds at an
19 exchange rate of 95 cents in state funds per \$1.00 in federal funds.
20 The projects receiving the exchanged federal funds must adhere to all
21 federal requirements, including the applicable disadvantaged business
22 enterprise goals. The entirety of the appropriation in this
23 subsection must be held in unallotted status until surface
24 transportation block grant population funding has been offered to the
25 state, and the department determines that a federalized project or
26 projects funded in this section is eligible to spend the surface
27 transportation block grant population funding. \$5,462,500 from
28 existing state appropriations identified elsewhere within this
29 section are available to be used as part of the exchange. Upon
30 determination that a project or projects funded in this section is
31 eligible to spend the offered surface transportation block grant
32 population funding, state funds appropriated in this section for the
33 eligible state project or projects in an amount equal to 100 percent
34 of the offered surface transportation block grant population funding
35 must be placed in unallotted status.

36 (18) \$5,229,000 of the connecting Washington account—state
37 appropriation and \$1,548,000 of the motor vehicle account—state
38 appropriation are provided solely for the SR 522/Paradise Lk Rd
39 Interchange & Widening on SR 522 (Design/Engineering) project

1 (NPARADI), specifically for design of, preliminary engineering, and
2 right-of-way acquisition for the interchange and widening as a single
3 project. The department must consider reserving portions of state
4 route number 522, including designated lanes or ramps, for the
5 exclusive or preferential use of public transportation vehicles,
6 privately owned buses, motorcycles, private motor vehicles carrying
7 not less than a specified number of passengers, or private
8 transportation provider vehicles pursuant to RCW 47.52.025.

9 (19) \$1,508,000 of the connecting Washington account—state
10 appropriation is provided solely for the SR 164 East Auburn Access
11 project (L1000120). The department must work with the Muckleshoot
12 tribe to deliver the project.

13 (20) \$5,030,000 of the multimodal transportation account—state
14 appropriation and \$1,842,000 of the multimodal transportation account
15 —federal appropriation are provided solely for the department to
16 develop and implement a technology-based truck parking availability
17 system along the Interstate 5 corridor in partnership with Oregon
18 state and California state to maximize utilization of existing truck
19 parking capacity and deliver real-time parking availability
20 information to truck drivers (L1000375). The department may use a
21 portion of the appropriation in this subsection for grant proposal
22 development and as state match funding for technology-based truck
23 parking availability system federal grant applications. The
24 department must provide a status update report to the transportation
25 committees of the legislature by December 1, 2026.

26 (21) \$4,879,000 of the carbon emissions reduction account—state
27 appropriation is provided solely for State Route 547 Pedestrian and
28 Bicycle Safety Trail (Kendall Trail) (L4000144).

29 (22) The Puget Sound Gateway Facility account—state appropriation
30 includes up to \$80,000,000 in proceeds from the sale of bonds
31 authorized in RCW 47.10.896.

32 (23) The Interstate 405 and State Route Number 167 Express Toll
33 Lanes account—state appropriation includes up to \$333,935,000 in
34 proceeds from the sale of bonds authorized in RCW 47.10.896.

35 NEW SECTION. **Sec. 306. FOR THE DEPARTMENT OF TRANSPORTATION—**
36 **PRESERVATION—PROGRAM P**

37 Move Ahead WA Account—State Appropriation. \$54,833,000
38 Recreational Vehicle Account—State Appropriation. \$751,000

1	Motor Vehicle Account—State Appropriation.	\$63,189,000
2	Motor Vehicle Account—Federal Appropriation.	\$600,864,000
3	Motor Vehicle Account—Private/Local Appropriation.	\$7,935,000
4	Connecting Washington Account—State Appropriation.	\$41,159,000
5	State Route Number 520 Corridor Account—State	
6	Appropriation.	\$7,515,000
7	Tacoma Narrows Toll Bridge Account—State	
8	Appropriation.	\$1,871,000
9	Alaskan Way Viaduct Replacement Project Account—	
10	State Appropriation.	\$5,376,000
11	Interstate 405 and State Route Number 167 Express	
12	Toll Lanes Account—State Appropriation.	\$9,648,000
13	Transportation Partnership Account—State	
14	Appropriation.	\$10,000,000
15	TOTAL APPROPRIATION.	\$803,191,000

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

18 (1) Except as provided otherwise in this section, the entire
19 connecting Washington account—state appropriation, the entire move
20 ahead WA account—state appropriation, and the entire transportation
21 partnership account—state appropriation are provided solely for the
22 projects and activities as listed by fund, project, and amount in OFM
23 Transportation Document 2025-1: Proposed Transportation Project List
24 - Highway Preservation Program (P) as developed December 17, 2024.
25 However, limited transfers of specific line-item project
26 appropriations may occur between projects for those amounts listed
27 subject to the conditions and limitations in section 601 of this act.

28 (2) Except as provided otherwise in this section, the entire
29 motor vehicle account—state appropriation and motor vehicle account—
30 federal appropriation are provided solely for the projects and
31 activities listed in OFM Transportation Document 2025-1: Proposed
32 Transportation Project List - Highway Preservation Program (P) as
33 developed December 17, 2024. Any federal funds gained through
34 efficiencies, adjustments to the federal funds forecast, or the
35 federal funds redistribution process must then be applied to highway
36 and bridge preservation activities.

37 (3) Within the motor vehicle account—state appropriation and
38 motor vehicle account—federal appropriation, the department may
39 transfer appropriation authority between programs I and P, except for

1 appropriation authority that is otherwise restricted in this act, as
2 follows:

3 (a) Ten days prior to any transfer, the department must submit
4 its request to the office of financial management and the
5 transportation committees of the legislature and consider any
6 concerns raised.

7 (b) The director of the office of financial management must first
8 provide written authorization for such transfer to the department and
9 the transportation committees of the legislature.

10 (c) The department shall submit a report on appropriation
11 authority transferred in the prior fiscal year using this subsection
12 as part of the department's annual budget submittal.

13 (4) \$6,000,000 of the motor vehicle account—state appropriation
14 is provided solely for extraordinary costs incurred from litigation
15 awards, settlements, or dispute mitigation activities not eligible
16 for funding from the self-insurance fund (L2000290). The amount
17 provided in this subsection must be held in unallotted status until
18 the department submits a request to the office of financial
19 management that includes documentation detailing litigation-related
20 expenses. The office of financial management may release the funds
21 only when it determines that all other funds designated for
22 litigation awards, settlements, and dispute mitigation activities
23 have been exhausted.

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

31 (6) The appropriations in this section include funding for
32 starting planning, engineering, and construction of the Elwha River
33 bridge replacement. To the greatest extent practicable, the
34 department shall maintain public access on the existing route.

35 (7) \$5,750,000 of the motor vehicle account—federal appropriation
36 is provided solely for a federal fund exchange pilot program. The
37 pilot program must allow exchanges of federal surface transportation
38 block grant population funding and state funds at an exchange rate of
39 95 cents in state funds per \$1.00 in federal funds. The projects

1 receiving the exchanged federal funds must adhere to all federal
2 requirements, including the applicable disadvantaged business
3 enterprise goals. The entirety of the appropriation in this
4 subsection must be held in unallotted status until surface
5 transportation block grant population funding has been offered to the
6 state and the department determines that a federalized project or
7 projects funded in this section is eligible to spend the surface
8 transportation block grant population funding. \$5,462,500 from
9 existing state appropriations identified elsewhere within this
10 section are available to be used as part of the exchange. Upon
11 determination that a project or projects funded in this section is
12 eligible to spend the offered surface transportation block grant
13 population funding, state funds appropriated in this section for the
14 eligible state project or projects in an amount equal to 100 percent
15 of the offered surface transportation block grant population funding
16 must be placed in unallotted status.

17 (8) \$12,632,000 of the move ahead Washington account—state
18 appropriation is provided solely for SR 525 Bridge Replacement -
19 Mukilteo (L2021084).

20 (9) The connecting Washington account—state appropriation
21 includes up to \$41,159,000 in proceeds from the sale of bonds
22 authorized in RCW 47.10.889.

23 (10) The office of financial management may authorize, through an
24 appropriation modification, reductions in the amounts that are
25 provided solely for a particular purpose within this section subject
26 to the following conditions and limitations:

27 (a) The department must confirm that any modification requested
28 under this subsection of amounts provided solely for a specific
29 purpose are not expected to be used for that purpose in this fiscal
30 biennium;

31 (b) Appropriation modifications authorized under this subsection
32 may not result in increased funding for any project beyond the amount
33 provided for that project in the 2025-2027 fiscal biennium in OFM
34 Transportation Document 2025-1: Proposed Transportation Project List
35 as developed December 17, 2024;

36 (c) Appropriation modifications authorized under this subsection
37 apply only to amounts appropriated in this section from the following
38 accounts: Connecting Washington account—state and move ahead WA
39 account—state; and

1 (d) The office of financial management must provide notice of
2 appropriation modifications authorized under this subsection within
3 10 working days to the transportation committees of the legislature.
4 By December 1, 2025, and December 1, 2026, the department must submit
5 a report to the transportation committees of the legislature
6 regarding the actions taken to date under this subsection.

7 NEW SECTION. **Sec. 307. FOR THE DEPARTMENT OF TRANSPORTATION—**
8 **TRANSPORTATION OPERATIONS—PROGRAM Q—CAPITAL**

9	Motor Vehicle Account—State Appropriation.	\$5,845,000
10	Motor Vehicle Account—Federal Appropriation.	\$8,374,000
11	Motor Vehicle Account—Private/Local Appropriation.	\$635,000
12	TOTAL APPROPRIATION.	\$14,854,000

13 The appropriations in this section are subject to the following
14 conditions and limitations: \$5,621,000 of the motor vehicle account—
15 state appropriation, \$6,500,000 of the motor vehicle account—federal
16 appropriation, and \$635,000 of the motor vehicle account—private/
17 local appropriation are provided solely for Programmatic Investment
18 for Traffic Operations Capital projects (000005Q). By December 15th
19 of each odd-numbered year, the department shall provide a report to
20 the legislature listing all traffic operations capital project
21 investments completed in the prior fiscal biennium.

22 NEW SECTION. **Sec. 308. FOR THE DEPARTMENT OF TRANSPORTATION—**
23 **PUBLIC TRANSPORTATION—PROGRAM V—CAPITAL**

24	Regional Mobility Grant Program Account—State	
25	Appropriation.	\$136,126,000
26	Multimodal Transportation Account—State Appropriation.	\$25,210,000
27	Climate Transit Programs Account—State.	\$163,436,000
28	Carbon Emissions Reduction Account—State.	\$27,000,000
29	TOTAL APPROPRIATION.	\$351,772,000

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

32 (1) Except as provided otherwise in this section, the entire
33 appropriations in this section are provided solely for the projects
34 and activities as listed in OFM Transportation Document 2025-1:
35 Proposed Transportation Project List - Public Transportation Program
36 (V) as developed December 17, 2024.

1 (2) \$11,963,000 of the multimodal transportation account—state
2 appropriation is provided solely for a public transit rideshare grant
3 program for: (a) Public transit agencies to add or replace rideshare
4 vehicles; and (b) incentives and outreach to increase rideshare use.
5 The grant program for public transit agencies may cover capital costs
6 only, and costs for operating vanpools at public transit agencies are
7 not eligible for funding under this grant program. Awards from the
8 grant program must not be used to supplant transit funds currently
9 funding ride share programs, or to hire additional employees. Of the
10 amounts provided in this subsection, \$1,673,000 is for the
11 reappropriation of amounts provided for this purpose in the 2023-2025
12 fiscal biennium.

13 (3) (a) \$136,126,000 of the regional mobility grant program
14 account—state appropriation is provided solely for regional mobility
15 grant projects. Of the amounts provided in this subsection,
16 \$58,447,000 is for the reappropriation of amounts provided for this
17 purpose in the 2023-2025 fiscal biennium. The department shall review
18 all projects receiving grant awards under this program at least
19 semiannually to determine whether the projects are making
20 satisfactory progress. Any project that has been awarded funds, but
21 does not report activity on the project within one year of the grant
22 award, must be reviewed by the department to determine whether the
23 grant should be terminated. The department shall promptly close out
24 grants when projects have been completed, and any remaining funds
25 must be used only to fund projects identified in the OFM
26 transportation document referenced in this section. The department
27 shall provide annual status reports on December 15, 2025, and
28 December 15, 2026, to the office of financial management and the
29 transportation committees of the legislature regarding the projects
30 receiving the grants. A grantee may not receive more than 25 percent
31 of the amount appropriated in this subsection unless all other
32 funding is awarded. Additionally, when allocating funding for the
33 2025-2027 fiscal biennium, no more than 30 percent of the total grant
34 program may directly benefit or support one grantee unless all other
35 funding is awarded.

36 (b) In order to be eligible to receive a grant under (a) of this
37 subsection during the 2025-2027 fiscal biennium, a transit agency
38 must establish a process for private transportation providers to
39 apply for the use of park and ride facilities. For purposes of this
40 subsection, (i) "private transportation provider" means: An auto

1 transportation company regulated under chapter 81.68 RCW; a passenger
2 charter carrier regulated under chapter 81.70 RCW, except marked or
3 unmarked stretch limousines and stretch sport utility vehicles as
4 defined under department of licensing rules; a private nonprofit
5 transportation provider regulated under chapter 81.66 RCW; or a
6 private employer transportation service provider; and (ii) "private
7 employer transportation service" means regularly scheduled, fixed-
8 route transportation service that is offered by an employer for the
9 benefit of its employees.

10 (c) During the 2025-2027 fiscal biennium, the department shall
11 consider applications submitted by regional transportation planning
12 organizations and metropolitan planning organizations for the
13 regional mobility grant program funding in the 2027-2029 fiscal
14 biennium.

15 (4) \$11,189,000 of the multimodal transportation account—state
16 appropriation is provided solely for connecting Washington transit
17 projects. Of the amounts provided in this subsection, \$3,407,000 is
18 for the reappropriation of amounts provided for this purpose in the
19 2023-2025 fiscal biennium. Entities identified to receive funding in
20 the OFM document referenced in this section receive the amounts
21 specified in the time frame specified in that OFM document. If an
22 entity has already completed a project in the OFM document referenced
23 in this section before the time frame identified, the entity may
24 substitute another transit project or projects that cost a similar or
25 lesser amount.

26 (5) \$2,058,000 of the multimodal transportation account—state
27 appropriation and \$48,454,000 of the climate transit programs account
28 —state appropriation are provided solely for green transportation
29 capital projects. Of the amounts provided in this subsection, the
30 entire multimodal transportation account amount and \$11,094,000 of
31 the climate transit programs account amount are for the
32 reappropriation of amounts provided for this purpose in the 2023-2025
33 fiscal biennium. Of the amount of climate transit program account
34 funds appropriated in this subsection, \$394,000 may be used for
35 program administration and staffing.

36 (6) \$7,442,000 of the carbon emissions reduction account—state
37 appropriation is reappropriated and provided solely for additional
38 green transportation capital projects. Of the amounts provided in
39 this subsection, \$1,000,000 is for the Jefferson Transit - Electric

1 Bus Replacement project (GT23250A), \$1,023,000 is for the Pacific
2 Transit - Electrification of the Paratransit Fleet project
3 (GT23250C), \$3,795,000 is for the C-TRAN - Hydrogen Fueling Station
4 Infrastructure project (GT23250D), and \$1,623,000 is for the Island
5 Transit - Fleet Expansion project (GT23250E).

6 (7) \$12,232,000 of the climate transit programs account—state
7 appropriation is provided solely for move ahead WA tribal transit
8 grant projects. Of the amounts provided in this subsection,
9 \$1,635,000 is for the reappropriation of amounts provided for this
10 purpose in the 2023-2025 fiscal biennium. \$100,000 of the amount
11 provided in this subsection may be used for program administration
12 and staffing. Grants to federally recognized tribes may be for any
13 transit purpose, including planning, operating costs, maintenance,
14 and capital costs.

15 (8) \$41,744,000 of the climate transit programs account—state
16 appropriation is provided solely for the bus and bus facility grant
17 program for replacement, rehabilitation, and purchase of transit
18 rolling stock, or construction, modification, or rehabilitation of
19 transit facilities. Of the amounts provided in this subsection,
20 \$3,744,000 is for the reappropriation of amounts provided for this
21 purpose in the 2023-2025 fiscal biennium.

22 (9) \$7,758,000 of the carbon emissions reduction account—state
23 appropriation is reappropriated and provided solely for additional
24 bus and bus facility projects. Of the amounts provided in this
25 subsection, \$1,467,000 is for Kitsap Transit for inductive charging
26 units for transit centers, \$1,891,000 is for Twin Transit for zero-
27 emission vehicle acquisition, \$4,400,000 is for C-TRAN for highway 99
28 BRT hydrogen fuel cell buses.

29 (10) \$61,006,000 of the climate transit programs account—state
30 appropriation is provided solely for move ahead Washington transit
31 projects. Of the amounts provided in this subsection, \$14,852,000 is
32 for the reappropriation of amounts provided for this purpose in the
33 2023-2025 fiscal biennium.

34 (a) For projects funded as part of this subsection, if the
35 department expects to have substantial reappropriations for the
36 2025-2027 fiscal biennium, the department may, on a pilot basis,
37 apply funding from a project with an appropriation that is unable to
38 be used within the 2025-2027 fiscal biennium to advance one or more

1 of the projects listed, prioritizing projects first by tier then by
2 project readiness.

3 (b) In instances when projects listed in the OFM document
4 referenced in this section are no longer viable or have been
5 completed, the department may recommend in its next budget submittal
6 alternative project proposals from the local jurisdictions if the
7 project is similar in type and scope and consistent with limitations
8 on certain funds provided. In the event that the listed project has
9 been completed, the local jurisdictions may, rather than submitting
10 an alternative project, be reimbursed in the year in which it was
11 scheduled for documented costs incurred implementing the listed
12 project, not in excess of the amount awarded from the funding
13 program.

14 (c) At least 10 business days before advancing or swapping a
15 project pursuant to this subsection, the department must notify the
16 office of financial management and the transportation committees of
17 the legislature. The advancement of a project may not hinder the
18 delivery of the projects for which the reappropriations are necessary
19 for the 2025-2027 fiscal biennium.

20 (11) \$11,800,000 of the carbon emissions reduction account—state
21 appropriation is reappropriated and provided solely for the following
22 projects:

23 (a) Base Refurbish & Expansion for Growth/Columbia County Public
24 Transportation (L4000182);

25 (b) Kitsap Transit: Design & Shore Power (G2000115);

26 (c) Pierce Transit - Meridian (L2021197); and

27 (d) King County Metro South Annex Base - Electrification Elements
28 (L4000174).

29 NEW SECTION. **Sec. 309. FOR THE DEPARTMENT OF TRANSPORTATION—**
30 **WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W**

31 Carbon Emissions Reduction Account—State	
32 Appropriation.	\$386,535,000
33 Move Ahead WA Account—State Appropriation.	\$6,120,000
34 Puget Sound Capital Construction Account—State	
35 Appropriation.	\$349,493,000
36 Puget Sound Capital Construction Account—Federal	
37 Appropriation.	\$31,829,000
38 Puget Sound Capital Construction Account—	

1	Private/Local Appropriation.	\$1,679,000
2	Transportation Partnership Account—State	
3	Appropriation.	\$4,259,000
4	Connecting Washington Account—State Appropriation.	\$6,886,000
5	Capital Vessel Replacement Account—State	
6	Appropriation.	\$207,726,000
7	TOTAL APPROPRIATION.	\$994,527,000

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

10 (1) Except as provided otherwise in this section, the entire
11 appropriations in this section are provided solely for the projects
12 and activities as listed in OFM Transportation Document 2025-1:
13 Proposed Transportation Project List - Washington State Ferries
14 Capital Program (W) as developed December 17, 2024.

15 (2) The capital vessel replacement account—state appropriation
16 includes up to \$155,406,000 in proceeds from the sale of bonds
17 authorized in RCW 47.10.873.

18 (3) \$5,000,000 of the Puget Sound capital construction account—
19 state appropriation is provided solely for emergency capital repair
20 costs (999910K). Funds may only be spent after approval by the office
21 of financial management.

22 (4) \$207,726,000 of the capital vessel replacement account—state
23 appropriation and \$215,091,000 of the carbon emissions reduction
24 account—state appropriation are provided solely for the hybrid-
25 electric vessel construction (L2021073).

26 (5) \$1,500,000 of the Puget Sound capital construction account—
27 state appropriation is provided solely for the Future Hybrid Electric
28 Ferry Class Pre-Design study (L2021131) to advance procurement of a
29 new class of vessel that will account for changes in technology,
30 staffing, and system needs. The department shall initiate a vessel
31 predesign to replace the aging Issaquah class ferries with a new
32 automobile hybrid electric ferry intended to operate on the Vashon
33 Southworth-Fauntleroy route. The predesign study must include a
34 review of the benefits and costs of constructing all future new
35 vessels based on the same design. The review may also compare and
36 contrast the benefits and costs of utilizing the existing hybrid
37 electric Olympic class vessel design.

1 (6) \$6,000,000 of the Puget Sound capital construction account—
2 state appropriation is provided solely for modernization of the
3 ticketing and reservation system (990052C).

4 (7) \$2,321,000 of the Puget Sound capital construction account—
5 state appropriation and \$2,321,000 of the Puget sound capital
6 construction account—federal appropriation are provided solely for
7 development of a terminal wait times information system (998609A).

8 (8) For the 2025-2027 fiscal biennium, the marine division shall
9 provide to the office of financial management and the transportation
10 committees of the legislature a report for ferry capital projects in
11 a manner consistent with past practices as specified in section 308,
12 chapter 186, Laws of 2022.

13 (9) \$84,314,000 of the carbon emissions reduction account—state
14 appropriation and \$108,932,000 of the Puget Sound capital
15 construction account—state appropriation are provided solely for
16 terminal electrification (L1000341).

17 (10) The connecting Washington account—state appropriation
18 includes up to \$6,886,000 in proceeds from the sale of bonds
19 authorized in RCW 47.10.889.

20 (11) The office of financial management may authorize, through an
21 appropriation modification, reductions in the amounts that are
22 provided solely for a particular purpose within this section subject
23 to the following conditions and limitations:

24 (a) The department must confirm that any modification requested
25 under this subsection of amounts provided solely for a specific
26 purpose are not expected to be used for that purpose in this fiscal
27 biennium;

28 (b) Appropriation modifications authorized under this subsection
29 may not result in increased funding for any project beyond the amount
30 provided for that project in the 2025-2027 fiscal biennium in OFM
31 Transportation Document 2025-1: Proposed Transportation Project List
32 as developed December 17, 2024;

33 (c) Appropriation modifications authorized under this subsection
34 apply only to amounts appropriated in this section from the following
35 accounts: Connecting Washington account—state and move ahead WA
36 account—state; and

37 (d) The office of financial management must provide notice of
38 appropriation modifications authorized under this subsection within
39 10 working days to the transportation committees of the legislature.

1 By December 1, 2025, and December 1, 2026, the department must submit
2 a report to the transportation committees of the legislature
3 regarding the actions taken to date under this subsection.

4 NEW SECTION. **Sec. 310. FOR THE DEPARTMENT OF TRANSPORTATION—**
5 **RAIL—PROGRAM Y—CAPITAL**

6	Carbon Emissions Reduction Account—State	
7	Appropriation.	\$53,749,000
8	Essential Rail Assistance Account—State	
9	Appropriation.	\$1,518,000
10	Motor Vehicle Account—State Appropriation.	\$316,000
11	Motor Vehicle Fund—Private/Local Appropriation.	\$326,000
12	Move Ahead WA Flexible Account—State Appropriation.	\$18,731,000
13	Transportation Infrastructure Account—State	
14	Appropriation.	\$6,082,000
15	Multimodal Transportation Account—State	
16	Appropriation.	\$77,432,000
17	Multimodal Transportation Account—Federal	
18	Appropriation.	\$88,050,000
19	TOTAL APPROPRIATION.	\$246,204,000

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

22 (1) Except as provided otherwise in this section, the entire
23 appropriations in this section are provided solely for the projects
24 and activities as listed by project and amount in OFM Transportation
25 Document 2025-1: Proposed Transportation Project List - Rail Program
26 (Y) as developed December 17, 2024.

27 (2) \$1,500,000 of the transportation infrastructure account—state
28 appropriation is provided solely for new low-interest loans approved
29 by the department through the freight rail investment bank (FRIB)
30 program. The department shall issue FRIB program loans with a
31 repayment period of no more than 15 years, and charge only so much
32 interest as is necessary to recoup the department's costs to
33 administer the loans. The department shall report annually to the
34 transportation committees of the legislature and the office of
35 financial management on all FRIB loans issued.

36 (3) \$5,000,000 of the carbon emissions reduction account—state
37 appropriation is provided solely for a low-interest loan for the Port
38 of Longview Rail Corridor Expansion project (L1000347) to accommodate

1 current and future port cargo-handling needs. The low-interest loan
2 must comply with the requirements of RCW 47.76.460(2).

3 (4) \$7,569,000 of the multimodal transportation account—state
4 appropriation is provided solely for new statewide emergent freight
5 rail assistance projects identified in the OFM transportation
6 document referenced in subsection (1) of this section.

7 (5) The department shall issue a call for projects for the
8 freight rail assistance program, and shall evaluate the applications
9 in a manner consistent with past practices as specified in section
10 309, chapter 367, Laws of 2011. By November 15, 2025, the department
11 shall submit a prioritized list of recommended projects to the office
12 of financial management and the transportation committees of the
13 legislature.

14 (6) \$5,000,000 of the carbon emissions reduction account—state
15 appropriation is provided solely for state match contributions to
16 support the department's application for federal grant opportunities
17 for a new ultra high-speed ground transportation corridor (L2021074).
18 These funds are to remain in unallotted status until federal funds
19 are awarded. The department must provide periodic grant application
20 updates to the transportation committees of the legislature, as well
21 as anticipated state match estimates for successful grants.

22 (7) \$18,731,000 of the move ahead WA flexible account—state
23 appropriation is provided solely for rehabilitation of the Palouse
24 River and Coulee City Railroad (L4000079).

25 (8) \$20,845,000 of the multimodal transportation account—federal
26 appropriation is provided solely for the rehabilitation of the Salmon
27 Bay drawbridge (752010A) to ensure the efficient movement of freight
28 and passenger trains.

29 (9) \$2,931,000 of the carbon emissions reduction account—state
30 appropriation is provided solely to fund a zero emission drayage
31 truck demonstration project (L1000324) at Northwest Seaport Alliance
32 facilities.

33 (10) \$10,469,000 of the carbon emissions reduction account—state
34 appropriation is provided solely to fund a zero emission shore power
35 infrastructure demonstration project at Northwest Seaport Alliance
36 facilities (L1000325). Local funds sufficient to fully fund this
37 project must be contributed to the project, and any agreements
38 required for the project must be secured.

1 (11) \$2,598,000 of the carbon emissions reduction account—state
2 appropriation is provided solely to fund the replacement of two
3 Tacoma rail diesel-electric switcher locomotives with zero emission
4 battery-electric switcher locomotives and to install on-site charging
5 equipment at a Tacoma rail facility (L1000327). Local funds
6 sufficient to fully fund this project must be contributed to the
7 project, and any agreements required for the project must be secured.

8 (12) \$13,240,000 of the carbon emissions reduction account—state
9 appropriation is provided solely for port electrification competitive
10 grants (L2021182). All public ports are eligible to receive funds
11 under this subsection. A port seeking to use funds under this
12 subsection to install shore power must adopt a policy that requires
13 vessels that dock at the port facility to use shore power if such
14 vessel is capable of using such power and when such power is
15 available at the port facility.

16 (13) \$693,000 of the carbon emissions reduction account—state
17 appropriation is provided solely for the Port of Quincy Rail
18 Infrastructure Expansion project (L1000348), an expansion of rail
19 infrastructure within the Port of Quincy's current rail terminal and
20 to nearby industrial zoned properties in the port district.

21 (14) \$20,000,000 of the carbon emissions reduction account—state
22 appropriation is provided solely for the Puyallup Tribe Port
23 Electrification project (L1000346).

24 (15) 849,000 of the carbon emissions reduction account—state
25 appropriation is provided solely for port electrification at the port
26 of Bremerton (L1000337), which may include the purchase and
27 installation of zero emission port shore power systems and other zero
28 emission infrastructure, equipment, and technology.

29 (16) \$1,219,000 of the carbon emissions reduction account—state
30 appropriation, is provided solely for port electrification at the
31 port of Anacortes (L1000338), which may include the purchase and
32 installation of zero emission port shore power systems and other zero
33 emission infrastructure, equipment, and technology.

34 NEW SECTION. **Sec. 311. FOR THE DEPARTMENT OF TRANSPORTATION—**
35 **LOCAL PROGRAMS—PROGRAM Z—CAPITAL**

36 Carbon Emissions Reduction Account—State
37 Appropriation. \$49,062,000
38 Climate Active Transportation Account—State

1	Appropriation.	\$211,460,000
2	Freight Mobility Investment Account—State	
3	Appropriation.	\$17,917,000
4	Freight Mobility Multimodal Account—State	
5	Appropriation.	\$23,752,000
6	Highway Infrastructure Account—State Appropriation.	\$1,152,000
7	Highway Infrastructure Account—Federal Appropriation	
8	\$1,500,000
9	Move Ahead WA Account—State Appropriation.	\$181,200,000
10	Move Ahead WA Flexible Account—State Appropriation.	\$52,500,000
11	Motor Vehicle Account—State Appropriation.	\$30,100,000
12	Motor Vehicle Account—Federal Appropriation.	\$106,461,000
13	Motor Vehicle Account—Private/Local Appropriation.	\$75,000,000
14	Connecting Washington Account—State Appropriation.	\$150,302,000
15	Multimodal Transportation Account—State	
16	Appropriation.	\$112,760,000
17	TOTAL APPROPRIATION.	\$1,013,166,000

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

20 (1) Except as provided otherwise in this section, the entire
21 appropriations in this section are provided solely for the projects
22 and activities as listed by project and amount in OFM Transportation
23 Document 2025-1: Proposed Transportation Project List - Local
24 Programs Program (Z) as developed December 17, 2024.

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

28 (a) \$30,380,000 of the multimodal transportation account—state
29 appropriation is provided solely for pedestrian and bicycle safety
30 program projects (L2000188).

31 (b) \$16,933,000 of the motor vehicle account—federal
32 appropriation and \$13,321,000 of the multimodal transportation
33 account—state appropriation are provided solely for safe routes to
34 school projects (L2000189).

35 (c) For future rounds of grant selection, the department must
36 reevaluate the criteria to increase geographic diversity of
37 jurisdictions consistent with the requirements of the healthy
38 environment for all (HEAL) act.

1 (3) \$17,781,000 of the multimodal transportation account—state
2 appropriation is provided solely for connecting Washington bicycle
3 and pedestrian projects listed in the OFM transportation document
4 referenced in subsection (1) of this section.

5 (4) \$35,528,000 of the motor vehicle account—federal
6 appropriation is provided solely for acceleration of local
7 preservation projects that ensure the reliable movement of freight on
8 the national highway freight system (G2000100). The department will
9 select projects as part of its update of the state freight plan, in
10 consultation with the freight mobility strategic investment board and
11 other stakeholders.

12 (5) \$5,462,500 of the motor vehicle account—state appropriation
13 is provided solely for a federal fund exchange pilot program. The
14 pilot program will allow exchanges of federal surface transportation
15 block grant population funding and state funds at an exchange rate of
16 95 cents in state funds per \$1.00 in federal funds. The entirety of
17 the appropriation in this subsection must be held in unallotted
18 status until: Surface transportation block grant population funding
19 has been offered to the state, the department determines that a
20 federalized project or projects funded in section 305 or 306, chapter
21 472, Laws of 2023 is eligible to spend the surface transportation
22 block grant population funding, and state funds appropriated in
23 section 305 or 306, chapter 472, Laws of 2023 for the eligible state
24 project or projects in an amount equal to 100 percent of the offered
25 surface transportation block grant population funding have been
26 placed in unallotted status. A report on the effectiveness of the
27 exchange program, the total estimated cost of program administration,
28 and recommendations for continuing the pilot program is due to the
29 governor and transportation committees of the legislature by December
30 1, 2026.

31 (6) \$181,200,000 of the move ahead WA account—state appropriation
32 and \$44,900,000 of the move ahead WA flexible account—state
33 appropriation are provided solely for new move ahead WA road and
34 highway projects listed in OFM Transportation Document 2025-1:
35 Proposed Transportation Project List - Local Programs Program (Z) as
36 developed December 17, 2024.

37 (a) For projects funded in this subsection, if the department
38 expects to have substantial reappropriations for the 2025-2027 fiscal
39 biennium, the department may, on a pilot basis, apply funding from a

1 project with an appropriation that is unable to be used in the
2 2025-2027 fiscal biennium to advance one or more of the projects
3 listed in OFM Transportation Document 2025-1: Proposed Transportation
4 Project List - Local Programs Program (Z) as developed December 17,
5 2024, prioritizing projects first by project readiness.

6 (i) In instances when projects listed in the OFM transportation
7 documents referenced in (a) of this subsection are no longer viable
8 or have been completed, the department may recommend in its next
9 budget submittal alternative project proposals from the local
10 jurisdictions if the project is similar in type and scope and
11 consistent with limitations of certain funds provided. In the event
12 that the listed project has been completed the local jurisdictions
13 may, rather than submitting an alternative project, instead be
14 reimbursed in the year in which it was scheduled for documented costs
15 incurred implementing the listed project, not in excess of the amount
16 awarded from the funding program.

17 (ii) At least 10 business days before advancing or swapping a
18 project pursuant to this subsection, the department must notify the
19 office of financial management and the transportation committees of
20 the legislature. The advancement of a project may not hinder the
21 delivery of the projects for which the reappropriations are necessary
22 for the 2025-2027 fiscal biennium.

23 (b) Of the amounts provided in this subsection, \$21,400,000 of
24 the move ahead WA account—state appropriation is provided solely for
25 three roundabouts to be constructed on state route number 507 in
26 partnership with local authorities. The roundabout at Vail is with
27 Thurston county, the roundabout at Bald Hills is with the city of
28 Yelm, and the roundabout at state route number 702 is with Pierce
29 county. The department is to work cooperatively with each local
30 jurisdiction to construct these facilities within department rights-
31 of-way. The department must provide all project predesign and design
32 information developed to date to the local jurisdictions and have a
33 project implementation agreement in place with each local
34 jurisdiction within 180 calendar days of the effective date of this
35 act. The implementation agreement may provide full control for the
36 local authority to construct the project. Once the roundabouts are
37 completed, the operations and maintenance of the roundabouts are the
38 responsibility of the department. Of the amounts provided in this
39 subsection, \$6,400,000 is for the roundabout at Vail road and state
40 route number 507.

1 (c) \$30,000,000 of the move ahead Washington account—state
2 appropriation is provided solely for the Columbia River Bridge
3 Replacement/Hood River to White Salmon project (L4000046). The office
4 of financial management shall place the amounts in this subsection in
5 unallotted status. As funds are appropriated by the Oregon
6 legislature, the office of financial management may release amounts
7 provided in this subsection to match Oregon appropriations.

8 (7) \$11,100,000 of the multimodal transportation account—state
9 appropriation and \$2,500,000 of the move ahead WA flexible account—
10 state appropriation are provided solely for move ahead WA pedestrian
11 and bike projects listed in OFM Transportation Document 2025-1:
12 Proposed Transportation Project List - Local Programs Program (Z) as
13 developed December 17, 2024. For projects funded in this subsection,
14 if the department expects to have substantial reappropriations for
15 the 2025-2027 fiscal biennium, the department may, on a pilot basis,
16 apply funding from a project with an appropriation that is unable to
17 be used in the 2025-2027 fiscal biennium to advance one or more of
18 the projects listed in OFM Transportation Document 2025-1: Proposed
19 Transportation Project List - Local Programs Program (Z) as developed
20 December 17, 2024, prioritizing projects first by tier then by
21 project readiness.

22 (a) In instances when projects listed in the OFM transportation
23 document referenced in this subsection (7) of this section are no
24 longer viable or have been completed, the department may recommend in
25 its next budget submittal alternative project proposals from the
26 local jurisdictions if the project is similar in type and scope and
27 consistent with limitations of certain funds provided. In the event
28 that the listed project has been completed the local jurisdictions
29 may, rather than submitting an alternative project, instead be
30 reimbursed in the year in which it was scheduled for documented costs
31 incurred implementing the listed project, not in excess of the amount
32 awarded from the funding program.

33 (b) At least 10 business days before advancing or swapping a
34 project pursuant to this subsection, the department must notify the
35 office of financial management and the transportation committees of
36 the legislature. The advancement of a project may not hinder the
37 delivery of the projects for which the reappropriations are necessary
38 for the 2025-2027 fiscal biennium.

1 (8) \$27,200,000 of the climate active transportation account—
2 state appropriation is provided solely for the statewide school-based
3 bicycle education grant program (L1000309). The department may
4 partner with a statewide nonprofit to deliver programs.

5 (9) The Sandy Williams connecting communities pilot program must
6 prioritize historically marginalized or overburdened communities. The
7 department may consult with the Cooper Jones active transportation
8 safety council to identify geographic locations where there are high
9 incidences of serious injuries and fatalities of active
10 transportation users among vulnerable populations.

11 (10) \$23,000,000 of the carbon emissions reduction account—state
12 appropriation is provided solely for the Guemes Ferry Boat
13 Replacement project (L4000124).

14 (11) \$5,100,000 of the move ahead WA flexible account—state
15 appropriation is provided solely for development of an applied
16 sustainable aviation evaluation center (L2021135). Snohomish county,
17 in partnership with Washington State University, shall plan and
18 establish facilities to evaluate, qualify or certify, and research
19 technologies that can minimize the impact of aviation on human health
20 and the environment. Funds may be used for, but are not limited to,
21 planning, construction, and land acquisition for sustainable aviation
22 fuel (SAF) qualification testing (ASTM D4054), research on the impact
23 of SAF on the environment and human health, and SAF storage for the
24 purpose of advancing sustainable aviation. At a minimum, three
25 sustainable aviation platforms must be considered:

- 26 (a) Sustainable aviation fuel (SAF);
- 27 (b) Hydrogen; and
- 28 (c) Battery electric energy storage mechanisms.

29 (12) \$10,000 of the multimodal transportation account—state
30 appropriation is provided solely for the Seattle office of planning
31 and community development to update and add to the 2020 I-5 Lid
32 Feasibility Study with additional test cases with ramp changes and
33 removals in downtown Seattle and alternative assumptions with regards
34 to parking, expansion of Freeway Park, affordable housing, and
35 commercial real estate (L2021140). The Seattle office of planning and
36 community development shall conduct ongoing community engagement with
37 underrepresented constituencies to support the technical work of this
38 study and raise public awareness of opportunities of I-5 lids. Focus

1 should be given to low-income households living and working in the
2 I-5 lid study areas in central Seattle.

3 (13) \$500,000 of the multimodal transportation account—state
4 appropriation is provided solely for the department to award grants
5 to local jurisdictions to implement network-wide traffic conflict
6 screening programs using video analytics in controlled intersections
7 with a disproportionate number of traffic violations and injuries to
8 active transportation users (L2021149). Grants must be awarded
9 proportionally across the state and include controlled intersections
10 in both urban and rural environments and along state highways and
11 county roads. Grant recipients must report back to the department all
12 traffic violation and active transportation facility data acquired
13 during the grant period and provide the department with appropriate
14 next steps for the state and the local jurisdiction to improve
15 traffic safety for active transportation users in such intersections.
16 The department must report such findings and recommendations to the
17 transportation committees of the legislature by December 1, 2026.

18 (14) (a) (i) \$10,568,000 of the carbon emissions reduction account—
19 state appropriation is provided solely for the department to
20 establish a program for providing rebates to qualifying persons who
21 purchase e-bikes and qualifying equipment and services from a
22 qualifying retailer. Of this amount, \$4,000,000 is for rebate amounts
23 as described under (a) (iii) (A) of this subsection, and \$3,000,000 is
24 for rebate amounts as described under (a) (iii) (B) of this subsection.

25 (ii) To qualify for and use the rebate under this subsection, a
26 person must be a resident of Washington state and purchase an e-bike
27 and qualifying equipment and services, if any, from a qualifying
28 retailer in this state. Qualifying equipment and services must be
29 purchased as part of the same transaction as the e-bike.

30 (iii) (A) For persons who are at least 16 years of age and reside
31 in households with incomes at or below 80 percent of the county area
32 median income, the amount of the rebate is up to \$1,200 on the sale
33 of an e-bike and any qualifying equipment and services.

34 (B) For all other persons who are at least 16 years of age, the
35 amount of the rebate is up to \$300 on the sale of an e-bike and any
36 qualifying equipment and services.

37 (C) No more than one rebate may be awarded per household.

38 (iv) (A) The department must establish application procedures for
39 e-bike retailers to participate in the rebate program, and
40 application and award procedures for applicants to participate in the

1 program. If an applicant qualifies for a rebate amount and there is
2 sufficient funds to award the applicant with the appropriate rebate
3 amount, the department must provide the qualifying individual the
4 rebate amount in a format that can be redeemed at the time of
5 purchase at a qualifying retailer.

6 (B) An applicant must provide contact information, including a
7 physical address, email address, and phone number, and demographic
8 information, including the applicant's age, gender, race, and
9 ethnicity, to the department on a form provided by the department at
10 the time of applying for the rebate. The department may share or
11 provide access to such information with the University of Washington
12 to provide the University of Washington an opportunity to ask program
13 applicants and recipients to fill out a survey collecting information
14 only to the extent to inform its report described under (c) of this
15 subsection.

16 (v) A qualifying retailer must register with the department
17 before participating in the rebate program. A qualifying retailer
18 must:

19 (A) Verify the identity of the qualifying individual at the time
20 of purchase; and

21 (B) Calculate and apply the rebate at the time of purchase.

22 (vi) The department must reimburse a qualifying retailer that
23 accepts a rebate from a qualifying individual no later than 30 days
24 after the rebate is redeemed.

25 (vii) For purposes of this subsection (14) (a):

26 (A) "E-bike" means an electric assisted bicycle as defined in RCW
27 46.04.169, but does not include mountain bikes.

28 (B) "Qualifying equipment and services" means a bicycle helmet,
29 safety vest, bicycle light, or bicycle lock, and any maintenance or
30 other services agreed upon by the qualifying retailer and qualifying
31 individual at the time of purchase.

32 (C) "Qualifying retailer" means a retail business establishment
33 with one or more physical retail locations in this state that
34 provides on-site e-bike sales, service, and repair and has registered
35 with the department to participate in the rebate program established
36 under this subsection.

37 (b) Of the amounts provided in this subsection (14), \$3,568,000
38 of the carbon emissions reduction account—state appropriation is
39 provided solely for the department to establish an e-bike lending
40 library and ownership grant program. The department may accept grant

1 applications from other state entities, local governments, and tribes
2 that administer or plan to administer an e-bike lending library or
3 ownership program for their employees for commute trip reduction
4 purposes. The department may also accept grant applications from
5 nonprofit organizations or tribal governments that serve persons who
6 are low-income or reside in overburdened communities and that
7 administer or plan to administer an e-bike lending library or
8 ownership program for qualifying persons. Grant recipients must
9 report program information and participation data to the University
10 of Washington to inform its report described under (c) of this
11 subsection.

12 (c) Of the amounts provided in this subsection (14), \$90,000 is
13 for the department to contract with the University of Washington's
14 sustainable transportation lab to publish a general policy brief that
15 provides innovative e-bike rebate and lending library or ownership
16 grant program models and recommendations, a report on survey results
17 based on data and demographic information collected under the e-bike
18 rebate program established in (a) of this subsection, and a report on
19 program information and data collected under the e-bike lending
20 library and ownership grant program established in (b) of this
21 subsection. An initial brief and report must be submitted to the
22 transportation committees of the legislature by July 1, 2024, with
23 the final policy brief and report due to the transportation
24 committees of the legislature by July 1, 2025.

25 (d) The department may not collect more than five percent of
26 appropriated amounts to administer the programs under (a) and (b) of
27 this subsection.

28 (15) \$17,917,000 of the freight mobility investment account—state
29 appropriation and \$23,752,000 of the freight mobility multimodal
30 account—state appropriation are provided solely for freight mobility
31 strategic investment board projects listed in the OFM transportation
32 document referenced in subsection (1) of this section.

33 (16) \$2,490,000 of the motor vehicle account—state appropriation
34 is provided solely for matching funds for federal funds to
35 reconstruct Grant county and Adams county bridges as part of the
36 Odessa groundwater replacement program (L1000322).

37 (17) \$38,190,000 of the connecting Washington account—state
38 appropriation is provided solely for the Aberdeen US 12 Highway-Rail
39 Separation project (L1000331).

1 (18) The office of financial management may authorize, through an
2 appropriation modification, reductions in the amounts that are
3 provided solely for a particular purpose within this section subject
4 to the following conditions and limitations:

5 (a) The department must confirm that any modification requested
6 under this subsection of amounts provided solely for a specific
7 purpose are not expected to be used for that purpose in this fiscal
8 biennium;

9 (b) Appropriation modifications authorized under this subsection
10 may not result in increased funding for any project beyond the amount
11 provided for that project in the 2025-2027 fiscal biennium in OFM
12 Transportation Document 2025-1: Proposed Transportation Project List
13 as developed December 17, 2024;

14 (c) Appropriation modifications authorized under this subsection
15 apply only to amounts appropriated in this section from the following
16 accounts: Connecting Washington account—state, and move ahead WA
17 account—state; and

18 (d) The office of financial management must provide notice of
19 appropriation modifications authorized under this subsection within
20 10 working days to the transportation committees of the legislature.
21 By December 1, 2025, and December 1, 2026, the department must submit
22 a report to the transportation committees of the legislature
23 regarding the actions taken to date under this subsection.

24 (19) \$3,000,000 of the multimodal transportation account—state
25 appropriation is provided solely for the department to assist local
26 jurisdictions in addressing emergent issues related to safety for
27 pedestrians and bicyclists (LXXXXPBF). Funds may only be spent after
28 approval from the office of financial management. By December 15th of
29 each odd-numbered year, the department shall provide a report to the
30 legislature listing all emergent issues addressed in the prior fiscal
31 biennium. Reporting may be done in conjunction with the
32 transportation operations division.

33 (20) \$9,350,000 of the carbon emissions reduction account—state
34 appropriation is provided solely for the following projects
35 identified in OFM Transportation Document 2025-1: Proposed
36 Transportation Project List as developed December 17, 2024:

37 (a) North Broadway Pedestrian Bridge (L2021082); and

38 (b) SR 520 & 148th NE Bicycle/Pedestrian Crossing (L2021047).

1 NEW SECTION. **Sec. 312. ANNUAL REPORTING REQUIREMENTS FOR**
2 **CAPITAL PROGRAM**

3 As part of its annual budget submittal, the department of
4 transportation shall provide an update to the report provided to the
5 legislature in the prior fiscal year in a manner consistent with past
6 practices as specified in section 312, chapter 333, Laws of 2021.

7 NEW SECTION. **Sec. 313. QUARTERLY REPORTING REQUIREMENTS FOR**
8 **CAPITAL PROGRAM**

9 On a quarterly basis, the department of transportation shall
10 provide to the office of financial management and the legislative
11 transportation committees a report for all capital projects in a
12 manner consistent with past practices as specified in section 313,
13 chapter 186, Laws of 2022.

14 NEW SECTION. **Sec. 314. NOTIFICATION REQUIREMENTS FOR PAUSES AND**
15 **CANCELLATIONS**

16 (1) The department of transportation shall notify the
17 transportation committees of the legislature when it intends to pause
18 for a significant length of time or not proceed with operating items
19 or capital projects included as budget provisos or on project lists.
20 When feasible, this notification shall be provided prior to the pause
21 or cancellation and at least seven days in advance of any public
22 announcement related to such a pause or cancellation.

23 (2) At the time of notification, the department shall provide an
24 explanation for the reason or reasons for the pause or cancellation
25 for each operating budget item and capital project. The explanation
26 shall include specific reasons for each pause or cancellation, in
27 addition to a statement of the broad rationale for the pause or
28 cancellation.

29 (3) When feasible, the department shall make best efforts to keep
30 the transportation committees of the legislature informed of an
31 evaluation process underway for selecting operating budget items and
32 capital projects to be paused or canceled, providing updates as its
33 selection efforts proceed.

34 (4) When exigent circumstances prevent prior notice of a pause or
35 cancellation from being provided to the transportation committees of
36 the legislature, the department shall provide the information
37 required under this section to the transportation committees of the
38 legislature as soon as is practicable.

1 NEW SECTION. **Sec. 315. FOR THE WASHINGTON STATE DEPARTMENT OF**
2 **TRANSPORTATION—FUNDS MANAGEMENT**

3 As part of the department's 2026 supplemental and 2027-2029
4 biennial budget requests, the department shall also report on:

- 5 (1) The federal grant programs it has applied for; and
6 (2) The federal competitive grant programs it could have applied
7 for but did not and the reason or reasons it did not apply.

(End of part)

1 TRANSFERS AND DISTRIBUTIONS

2 NEW SECTION. **Sec. 401. FOR THE STATE TREASURER—BOND RETIREMENT**
3 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
4 **BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND**
5 **TRANSPORTATION FUND REVENUE**

6	Transportation Partnership Account—State	
7	Appropriation.	\$4,344,000
8	Connecting Washington Account—State Appropriation.	\$10,016,000
9	Puget Sound Gateway Facility Account—State	
10	Appropriation.	\$404,000
11	Highway Bond Retirement Account—State	
12	Appropriation.	\$1,714,649,000
13	Transportation Improvement Board Bond Retirement	
14	Account—State Appropriation.	\$5,619,000
15	Nondebt-Limit Reimbursable Bond Retirement Account—	
16	State Appropriation.	\$28,249,000
17	Toll Facility Bond Retirement Account—State	
18	Appropriation.	\$84,516,000
19	I-405 and SR-167 Express Toll Lanes Account—State	
20	Appropriation.	\$1,680,000
21	TOTAL APPROPRIATION.	\$1,849,477,000

22 NEW SECTION. **Sec. 402. FOR THE STATE TREASURER—BOND RETIREMENT**
23 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
24 **BOND SALE EXPENSES AND FISCAL AGENT CHARGES**

25	Transportation Partnership Account—State	
26	Appropriation.	\$872,000
27	Connecting Washington Account—State Appropriation.	\$2,004,000
28	Puget Sound Gateway Facility Account—State	
29	Appropriation.	\$84,000
30	I-405 and SR-167 Express Toll Lanes Account—State	
31	Appropriation.	\$336,000
32	TOTAL APPROPRIATION.	\$3,296,000

33 NEW SECTION. **Sec. 403. FOR THE STATE TREASURER—STATE REVENUES**
34 **FOR DISTRIBUTION**

35 Motor Vehicle Account—State Appropriation: For motor
36 vehicle fuel tax statutory distributions to

1 cities and counties. \$424,299,000
 2 Multimodal Transportation Account—State
 3 Appropriation: For distribution to cities and
 4 counties. \$26,786,000
 5 Motor Vehicle Account—State Appropriation: For
 6 distribution to cities and counties. \$23,438,000
 7 TOTAL APPROPRIATION. \$474,523,000

8 NEW SECTION. **Sec. 404. FOR THE STATE TREASURER—TRANSFERS**
 9 Motor Vehicle Account—State Appropriation: For motor
 10 vehicle fuel tax refunds and statutory
 11 transfers. \$1,810,396,000

12 NEW SECTION. **Sec. 405. FOR THE DEPARTMENT OF LICENSING—**
 13 **TRANSFERS**
 14 Motor Vehicle Account—State Appropriation: For motor
 15 vehicle fuel tax refunds and transfers. \$230,583,000

16 NEW SECTION. **Sec. 406. FOR THE STATE TREASURER—ADMINISTRATIVE**
 17 **TRANSFERS**

18 (1) Transportation Partnership Account—State
 19 appropriation for transfer to the Motor Vehicle
 20 Account—State. \$33,179,000

21 (2) (a) Transportation Partnership Account—State
 22 Appropriation: For transfer to the Tacoma Narrows Toll
 23 Bridge Account—State. \$15,999,000

24 (b) It is the intent of the legislature that this transfer is
 25 temporary, for the purpose of minimizing the impact of toll
 26 increases. An equivalent reimbursing transfer is to occur after the
 27 debt service and deferred sales tax on the Tacoma Narrows bridge
 28 construction costs are fully repaid in accordance with chapter 195,
 29 Laws of 2018.

30 (3) Highway Safety Account—State Appropriation:
 31 For transfer to the State Patrol Highway Account—State. . \$50,468,000

32 (4) Motor Vehicle Account—State Appropriation:
 33 For transfer to the County Arterial Preservation
 34 Account—State. \$4,844,000

35 (5) Motor Vehicle Account—State Appropriation:
 36 For transfer to the Freight Mobility Investment

1 Account—State. \$8,511,000
2 (6) Motor Vehicle Account—State Appropriation:
3 For transfer to the Rural Arterial Trust Account—State. . . \$4,844,000
4 (7) Motor Vehicle Account—State Appropriation:
5 For transfer to the Transportation Improvement
6 Account—State. \$9,688,000
7 (8) Puget Sound Ferry Operations Account—State
8 Appropriation: For transfer to the Puget Sound Capital
9 Construction Account—State. \$115,315,000
10 (9) (a) State Route Number 520 Civil Penalties
11 Account—State Appropriation: For transfer to the Motor
12 Vehicle Account—State. \$1,000,000
13 (b) The transfer in this subsection is to repay moneys loaned to
14 the state route number 520 civil penalties account in the 2019-2021
15 fiscal biennium.
16 (10) State Route Number 520 Civil Penalties Account—State
17 Appropriation: For transfer to the State Route Number 520
18 Corridor Account—State. \$1,752,000
19 (11) (a) Capital Vessel Replacement Account—State
20 Appropriation: For transfer to the Connecting Washington
21 Account—State. \$3,761,000
22 (b) It is the intent of the legislature that this transfer is
23 temporary, for the purpose of minimizing the use of bonding in the
24 connecting Washington account.
25 (12) Capital Vessel Replacement Account—State
26 Appropriation: For transfer to the Transportation
27 Partnership Account—State. \$25,000,000
28 (13) Connecting Washington Account—State
29 Appropriation: For transfer to the Motor Vehicle
30 Account—State. \$1,424,000
31 (14) Connecting Washington Account—State
32 Appropriation: For transfer to the Move Ahead Washington
33 Account—State. \$320,000,000
34 (15) Multimodal Transportation Account—State
35 Appropriation: For transfer to the Complete Streets Grant
36 Program Account—State. \$14,670,000
37 (16) Multimodal Transportation Account—State
38 Appropriation: For transfer to the Freight Mobility
39 Multimodal Account—State. \$8,511,000

1 (17) Multimodal Transportation Account—State
 2 Appropriation: For transfer to the Motor Vehicle
 3 Account—State. \$13,384,000
 4 (18) Multimodal Transportation Account—State
 5 Appropriation: For transfer to the Puget Sound Capital
 6 Construction Account—State. \$191,876,000
 7 (19) Multimodal Transportation Account—State
 8 Appropriation: For transfer to the Regional Mobility
 9 Grant Program Account—State. \$27,679,000
 10 (20) Multimodal Transportation Account—State
 11 Appropriation: For transfer to the Rural Mobility Grant
 12 Program Account—State. \$12,223,000
 13 (21) Multimodal Transportation Account—State
 14 Appropriation: For transfer to the State Patrol Highway
 15 Account—State. \$21,739,000
 16 (22) Carbon Emissions Reduction Account—State
 17 Appropriation: For transfer to the Puget Sound Ferry
 18 Operations Account—State. \$4,200,000
 19 (23) Move Ahead WA Account—State Appropriation:
 20 For transfer to the Motor Vehicle Account—State. \$116,607,000
 21 (24) Move Ahead WA Account—State Appropriation:
 22 For transfer to the Puget Sound Ferry Operations
 23 Account—State. \$287,368,000
 24 (25) Move Ahead WA Account—State Appropriation:
 25 For transfer to the State Patrol Highway
 26 Account—State. \$190,517,000
 27 (26) Move Ahead WA Flexible Account—State
 28 Appropriation: For transfer to the Move Ahead WA
 29 Account—State. \$180,002,000
 30 (27) Alaskan Way Viaduct Replacement Project
 31 Account—State Appropriation: For transfer to the Motor
 32 Vehicle Account—State. \$5,992,000
 33 (28) Transportation 2003 Account (Nickel Account)—State
 34 Appropriation: For transfer to the Puget Sound Capital
 35 Construction Account—State. \$8,906,000

1 **COMPENSATION**

2 NEW SECTION. **Sec. 501. COLLECTIVE BARGAINING AGREEMENTS NOT**
3 **IMPAIRED**

4 Nothing in this act prohibits the expenditure of any funds by an
5 agency or institution of the state for benefits guaranteed by any
6 collective bargaining agreement in effect on the effective date of
7 this section.

8 NEW SECTION. **Sec. 502. COLLECTIVE BARGAINING AGREEMENTS**

9 In accordance with chapters 41.80, 41.56, and 47.64 RCW,
10 agreements have been reached between the governor and employee
11 organizations representing state employee bargaining units for the
12 2025-2027 fiscal biennium. Funding is provided in this act to fund
13 these agreements. The collective bargaining agreements that have been
14 reached and are funded in this act, and the description of the major
15 economic terms in each of the listed agreements are specified in OFM
16 Transportation Document 2025-4: 2025-27 Collective Bargaining
17 Agreements as developed December 17, 2024.

18 NEW SECTION. **Sec. 503. COMPENSATION—REPRESENTED EMPLOYEES—**
19 **HEALTH CARE—COALITION—INSURANCE BENEFITS**

20 An agreement was reached for the 2025-2027 fiscal biennium
21 between the governor and the health care coalition under the
22 provisions of chapter 41.80 RCW. Appropriations in this act for state
23 agencies are sufficient to implement the provisions of the 2025-2027
24 collective bargaining agreement, which maintains the provisions of
25 the prior agreement, and are subject to the following conditions and
26 limitations:

27 (1) The monthly employer funding rate for insurance benefit
28 premiums, public employees' benefits board administration, and the
29 uniform medical plan, shall not exceed \$1,315 per eligible employee
30 for fiscal year 2026. For fiscal year 2027, the monthly employer
31 funding rate shall not exceed \$1,355 per eligible employee. These
32 funding rates are sufficient to cover, effective January 1, 2026, the
33 following:

34 (a) In the uniform medical plan, coverage for Doula services;

35 (b) In the uniform dental plan the following:

36 (i) Increasing the temporomandibular joint benefit to \$1,000
37 annually and \$5,000 per lifetime;

1 (ii) Eliminating the deductible for children up to age 15;

2 (c) Implementation of Z-0050/25 (hospital affordability).

3 (2) The funding rates in subsection (1) of this section are not
4 sufficient to continue offering an Accountable Care Plan as of plan
5 year 2026.

6 (3) Current funding allows for the public employees' benefits
7 board to adjust the employer paid long-term disability benefit to a
8 maximum monthly benefit of \$450 within the current funding resources.

9 (4) The board shall collect a \$25 per month surcharge payment
10 from members who use tobacco products and a surcharge payment of not
11 less than \$50 per month from members who cover a spouse or domestic
12 partner where the spouse or domestic partner has chosen not to enroll
13 in another employer-based group health insurance that has benefits
14 and premiums with an actuarial value of not less than 95 percent of
15 the actuarial value of the public employees' benefits board plan with
16 the largest enrollment. The surcharge payments shall be collected in
17 addition to the member premium payment if directed by the
18 legislature.

19 (5) The rates are sufficient to cover a diabetes management
20 program and apply the cost-share provisions outlined in chapter 366,
21 Laws of 2023 (breast examinations—health plan cost sharing) in the
22 uniform medical plan, effective January 1, 2025. The rates are not
23 sufficient to add coverage of prescription drugs for the treatment of
24 obesity or weight loss. The authority shall not add coverage of
25 prescription drugs for the treatment of obesity or weight loss
26 without a specific appropriation from the legislature. Nothing in
27 this section requires removal of any existing coverage of
28 prescription drugs to treat diabetes.

29 NEW SECTION. **Sec. 504. COMPENSATION—REPRESENTED EMPLOYEES—**
30 **OUTSIDE HEALTH CARE—COALITION—INSURANCE BENEFITS**

31 Appropriations for state agencies in this act are sufficient for
32 represented employees outside the coalition for health benefits, and
33 are subject to the following conditions and limitations: The monthly
34 employer funding rate for insurance benefit premiums, public
35 employees' benefits board administration, and the uniform medical
36 plan, may not exceed \$1,315 per eligible employee for fiscal year
37 2026. For fiscal year 2027, the monthly employer funding rate may not
38 exceed \$1,355 per eligible employee.

1 NEW SECTION. **Sec. 505. COMPENSATION—NONREPRESENTED EMPLOYEES—**

2 **INSURANCE BENEFITS**

3 (1) Appropriations for state agencies in this act are sufficient
4 for nonrepresented state employee health benefits for state agencies,
5 including institutions of higher education, and are subject to the
6 following conditions and limitations: The employer monthly funding
7 rate for insurance benefit premiums, public employees' benefits board
8 administration, and the uniform medical plan, shall not exceed \$1,315
9 per eligible employee for fiscal year 2026. For fiscal year 2027, the
10 monthly employer funding rate shall not exceed \$1,355 per eligible
11 employee.

12 (2) The rates are sufficient to cover a diabetes management
13 program and apply the cost-share provisions outlined in chapter 366,
14 Laws of 2023 (breast examinations—health plan cost sharing) in the
15 uniform medical plan, effective January 1, 2025. The rates are not
16 sufficient to add coverage of prescription drugs for the treatment of
17 obesity or weight loss. The authority shall not add coverage of
18 prescription drugs for the treatment of obesity or weight loss
19 without a specific appropriation from the legislature. Nothing in
20 this section requires removal of any existing coverage of
21 prescription drugs to treat diabetes.

22 NEW SECTION. **Sec. 506. GENERAL WAGE INCREASES**

23 (1) Appropriations for state agency employee compensation in this
24 act are sufficient to provide general wage increases to state agency
25 employees and employees of institutions of higher education, who are
26 not represented or who bargain under statutory authority other than
27 chapter 41.80 or 47.64 RCW or RCW 41.56.473 or 41.56.475.

28 (2) Funding is provided for a three percent general wage increase
29 effective July 1, 2025, for all classified employees as specified in
30 subsection (1) of this section, employees in the Washington
31 management service, and exempt employees under the jurisdiction of
32 the office of financial management. The appropriations are also
33 sufficient to fund a three percent salary increase effective July 1,
34 2025, for executive, legislative, and judicial branch employees
35 exempt from merit system rules whose maximum salaries are not set by
36 the commission on salaries for elected officials.

37 (3) Funding is provided for a two percent general wage increase
38 effective July 1, 2027, for all classified employees as specified in
39 subsection (1) of this section, employees in the Washington

1 management service, and exempt employees under the jurisdiction of
2 the office of financial management. The appropriations are also
3 sufficient to fund a two percent salary increase effective July 1,
4 2027, for executive, legislative, and judicial branch employees
5 exempt from merit system rules whose maximum salaries are not set by
6 the commission on salaries for elected officials.

7 NEW SECTION. **Sec. 507. COMPENSATION—PENSION CONTRIBUTIONS**

8 (1) Appropriations are adjusted to reflect changes to agency
9 appropriations to reflect savings resulting from changes to pension
10 funding as provided in Z-0231/25 (actuarial funding of pension
11 systems).

12 (2) An increase of 0.08 percent is funded for state employer
13 contributions to the public employees' retirement system, the public
14 safety employees' retirement systems, and the school employees'
15 retirement system, and an increase of 0.16 percent for employer
16 contributions to the teachers' retirement system is funded for the
17 provisions of Z-0229/25 (PERS/TRS 1 benefit increase). If
18 chapter . . ., Laws of 2025 (PERS/TRS 1 benefit increase) is not
19 enacted by June 30, 2025, this subsection has no force and effect and
20 appropriations for school districts and state agencies, including
21 institutions of higher education, shall be held in unallotted status.

(End of part)

1 **IMPLEMENTING PROVISIONS**

2 NEW SECTION. **Sec. 601. MANAGEMENT OF TRANSPORTATION FUNDS WHEN**
3 **THE LEGISLATURE IS NOT IN SESSION**

4 (1) The 2005 transportation partnership projects or improvements,
5 2015 connecting Washington projects or improvements, and move ahead
6 WA projects or improvements are listed in the OFM Transportation
7 Document 2025-1 Proposed Transportation Project List as developed
8 December 15, 2024, which consists of a list of specific projects by
9 fund source and amount over multiple biennia. Current fiscal biennium
10 funding for each project is a line-item appropriation, while the
11 outer year funding allocations represent a 16-year plan. The
12 department of transportation is expected to use the flexibility
13 provided in this section to assist in the delivery and completion of
14 all transportation partnership account, connecting Washington
15 account, and move ahead WA account projects on the OFM transportation
16 document referenced in this subsection. For the 2025-2027 project
17 appropriations, unless otherwise provided in this act, the director
18 of the office of financial management may provide written
19 authorization for a transfer of appropriation authority between
20 projects funded with transportation partnership account
21 appropriations, connecting Washington account appropriations, or move
22 ahead WA account appropriations to manage project spending and
23 efficiently deliver all projects in the respective program under the
24 following conditions and limitations:

25 (a) Transfers may only be made within each specific fund source
26 referenced on the respective project list;

27 (b) Transfers from a project may not be made as a result of the
28 reduction of the scope of a project or be made to support increases
29 in the scope of a project;

30 (c) Transfers from a project may be made if the funds
31 appropriated to the project are in excess of the amount needed in the
32 current fiscal biennium;

33 (d) Transfers may not occur for projects not identified on the
34 applicable project list;

35 (e) Transfers to a project may not occur if that project is a
36 programmatic funding item described in broad general terms on the
37 applicable project list without referencing a specific state route
38 number;

1 (f) Transfers may not be made while the legislature is in
2 session;

3 (g) Transfers to a project may not be made with funds designated
4 as attributable to practical design savings as described in RCW
5 47.01.480;

6 (h) The total amount of transfers under this section may not
7 exceed \$50,000,000;

8 (i) Except as otherwise provided in (k) of this subsection,
9 transfers made to a single project may not cumulatively total more
10 than \$20,000,000 per fiscal biennium;

11 (j) Each transfer between projects may only occur if the director
12 of the office of financial management finds that any resulting change
13 will not hinder the completion of the projects as approved by the
14 legislature; and

15 (k) Transfers between projects may be made by the department of
16 transportation without the formal written approval provided under
17 this subsection (1)(k), provided that the transfer amount to a single
18 project does not exceed \$250,000 or 10 percent of the total project
19 per fiscal biennium, whichever is less. These transfers must be
20 reported quarterly to the director of the office of financial
21 management and the chairs of the house of representatives and senate
22 transportation committees.

23 (2) The department of transportation must submit quarterly all
24 transfers authorized under this section in the transportation
25 executive information system. The office of financial management must
26 maintain a legislative baseline project list identified in the LEAP
27 transportation documents referenced in this act, and update that
28 project list with all authorized transfers under this section,
29 including any effects to the total project budgets and schedules
30 beyond the current fiscal biennium.

31 (3) At the time the department submits a request to transfer
32 funds under this section, a copy of the request must be submitted to
33 the chairs and ranking members of the transportation committees of
34 the legislature.

35 (4) Before approval, the office of financial management shall
36 work with legislative staff of the house of representatives and
37 senate transportation committees to review the requested transfers in
38 a timely manner and address any concerns raised by the chairs and
39 ranking members of the transportation committees.

1 (5) No fewer than 10 days after the receipt of a project transfer
2 request, the director of the office of financial management must
3 provide written notification to the department of any decision
4 regarding project transfers, with copies submitted to the
5 transportation committees of the legislature.

6 (6) The department must submit annually as part of its budget
7 submittal a report detailing all transfers made pursuant to this
8 section, including any effects to the total project budgets and
9 schedules beyond the current fiscal biennium.

10 NEW SECTION. **Sec. 602. BOND REIMBURSEMENT**

11 To the extent that any appropriation authorizes expenditures of
12 state funds from the motor vehicle account, special category C
13 account, Tacoma Narrows toll bridge account, transportation 2003
14 account (nickel account), transportation partnership account,
15 transportation improvement account, Puget Sound capital construction
16 account, multimodal transportation account, state route number 520
17 corridor account, connecting Washington account, or other
18 transportation capital project account in the state treasury for a
19 state transportation program that is specified to be funded with
20 proceeds from the sale of bonds authorized in chapter 47.10 RCW, the
21 legislature declares that any such expenditures made before the issue
22 date of the applicable transportation bonds for that state
23 transportation program are intended to be reimbursed from proceeds of
24 those transportation bonds in a maximum amount equal to the amount of
25 such appropriation.

26 NEW SECTION. **Sec. 603. BELATED CLAIMS**

27 The agencies and institutions of the state may expend moneys
28 appropriated in this act, upon approval of the office of financial
29 management, for the payment of supplies and services furnished to the
30 agency or institution in prior fiscal biennia.

31 NEW SECTION. **Sec. 604. REAPPROPRIATIONS REPORTING**

32 (1) As part of its 2025 supplemental budget submittal, the
33 department of transportation shall provide a report to the
34 legislature and the office of financial management that:

35 (a) Identifies, by capital project, the amount of state funding
36 that has been reappropriated from the 2023-2025 fiscal biennium into
37 the 2025-2027 fiscal biennium; and

1 (b) Identifies, for each project, the amount of cost savings or
2 increases in funding that have been identified as compared to the
3 2021 enacted omnibus transportation appropriations act.

4 (2) As part of the agency request for capital programs, the
5 department shall load reappropriations separately from funds that
6 were assumed to be required for the 2025-2027 fiscal biennium into
7 budgeting systems.

8 NEW SECTION. **Sec. 605. WEBSITE REPORTING REQUIREMENTS**

9 The department of transportation shall post on its website every
10 report that is due from the department to the legislature during the
11 2025-2027 fiscal biennium on one web page in a manner consistent with
12 past practices as specified in section 605, chapter 333, Laws of
13 2021.

14 NEW SECTION. **Sec. 606. TRANSIT, BICYCLE, AND PEDESTRIAN**
15 **ELEMENTS REPORTING**

16 By November 15th of each year, the department of transportation
17 must report on amounts expended to benefit transit, bicycle, or
18 pedestrian elements within all connecting Washington projects in
19 programs I, P, and Z identified in OFM Transportation Document
20 2025-1: Proposed Transportation Project as developed December 17,
21 2024, in a manner consistent with past practices as specified in
22 section 602, chapter 186, Laws of 2022.

23 NEW SECTION. **Sec. 607. PROJECT SCOPE CHANGES**

24 (1) During the 2025-2027 fiscal biennium, while the legislature
25 is not in session, the director of the office of financial management
26 may approve project scope change requests to connecting Washington
27 projects and move ahead WA projects in the highway improvements
28 program, provided that the requests meet the criteria outlined in RCW
29 47.01.480 if a connecting Washington project, and are subject to the
30 limitations in this section.

31 (2) At the time the department of transportation submits a
32 request for a project scope change under this section, a copy of the
33 request must be submitted to the transportation committees of the
34 legislature.

35 (3) Before approval, the office of financial management shall
36 work with legislative staff of the house of representatives and

1 senate transportation committees to review the requested project
2 scope changes.

3 (4) No fewer than 10 days after the receipt of a scope change
4 request, the director of the office of financial management must
5 provide written notification to the department of any decision
6 regarding project scope changes, with copies submitted to the
7 transportation committees of the legislature.

8 (5) As part of its annual budget submittal, the department of
9 transportation must report on all approved scope change requests from
10 the prior year, including a comparison of the scope before and after
11 the requested change.

12 NEW SECTION. **Sec. 608. TOLL CREDITS**

13 The department of transportation may provide up to \$5,000,000 in
14 toll credits to Kitsap transit for its role in delivering capital
15 projects related to Kitsap transit public transportation services
16 including, but not limited to, ferry service. The number of toll
17 credits provided must be equal to, but no more than, the number
18 sufficient to meet federal match requirements for grant funding for
19 passenger-only ferry service, but must not exceed the amount
20 authorized in this section.

21 NEW SECTION. **Sec. 609. LOCAL PARTNER COOPERATIVE AGREEMENTS**

22 (1) If a transportation project, where the Washington state
23 department of transportation is the lead and the project is scheduled
24 to be delivered or completed in the 2025-2027 fiscal biennium as
25 shown on the OFM Transportation Document 2025-1: Proposed
26 Transportation Project List - Highway Improvements Program (I) as
27 developed December 17, 2024, is in jeopardy of being delayed because
28 the department is unable to deliver or complete the project within
29 the 2025-2027 fiscal biennium and other local jurisdictions are able
30 to deliver or complete the work, the department must coordinate with
31 the appropriate local jurisdictions to determine if a potential local
32 partner is ready, willing, and able to execute delivery and
33 completion of the project within the 2025-2027 fiscal biennium.

34 (2) The department must compile a list of projects under this
35 section, including the timing under which the local partner agency
36 can deliver or complete the projects within the 2025-2027 and
37 2027-2029 fiscal biennia. The department must submit the compiled

1 list of projects to the governor and the transportation committees of
2 the legislature by November 1, 2025.

(End of part)

MISCELLANEOUS 2025-2027 FISCAL BIENNIUM

Sec. 701. RCW 43.19.642 and 2023 c 472 s 703 are each amended to read as follows:

(1) Effective June 1, 2006, for agencies complying with the ultra-low sulfur diesel mandate of the United States environmental protection agency for on-highway diesel fuel, agencies shall use biodiesel as an additive to ultra-low sulfur diesel for lubricity, provided that the use of a lubricity additive is warranted and that the use of biodiesel is comparable in performance and cost with other available lubricity additives. The amount of biodiesel added to the ultra-low sulfur diesel fuel shall be not less than two percent.

(2) Except as provided in subsection (5) of this section, effective June 1, 2009, state agencies are required to use a minimum of 20 percent biodiesel as compared to total volume of all diesel purchases made by the agencies for the operation of the agencies' diesel-powered vessels, vehicles, and construction equipment.

(3) All state agencies using biodiesel fuel shall, beginning on July 1, 2016, file annual reports with the department of enterprise services documenting the use of the fuel and a description of how any problems encountered were resolved.

(4) By December 1, 2009, the department of enterprise services shall:

(a) Report to the legislature on the average true price differential for biodiesel by blend and location; and

(b) Examine alternative fuel procurement methods that work to address potential market barriers for in-state biodiesel producers and report these findings to the legislature.

(5) During the ((2021-2023 and)) 2023-2025 and 2025-2027 fiscal biennia, the Washington state ferries is required to use a minimum of five percent biodiesel as compared to total volume of all diesel purchases made by the Washington state ferries for the operation of the Washington state ferries diesel-powered vessels, as long as the price of a B5 or B10 biodiesel blend does not exceed the price of conventional diesel fuel by five percent or more.

Sec. 702. RCW 46.20.745 and 2023 c 472 s 704 are each amended to read as follows:

(1) The ignition interlock device revolving account— program is created within the department to assist in covering the monetary

1 costs of installing, removing, and leasing an ignition interlock
2 device, and applicable licensing, for indigent persons who are
3 required under RCW 46.20.385, 46.20.720, and 46.61.5055 to install an
4 ignition interlock device in all vehicles owned or operated by the
5 person. For purposes of this subsection, "indigent" has the same
6 meaning as in RCW 10.101.010, as determined by the department. During
7 the ((2021-2023 and)) 2023-2025 and 2025-2027 fiscal biennia, the
8 ignition interlock device revolving account program also includes
9 ignition interlock enforcement work conducted by the Washington state
10 patrol.

11 (2) A pilot program is created within the ignition interlock
12 device revolving account program for the purpose of monitoring
13 compliance by persons required to use ignition interlock devices and
14 by ignition interlock companies and vendors.

15 (3) The department, the state patrol, and the Washington traffic
16 safety commission shall coordinate to establish a compliance pilot
17 program that will target at least one county from eastern Washington
18 and one county from western Washington, as determined by the
19 department, state patrol, and Washington traffic safety commission.

20 (4) At a minimum, the compliance pilot program shall:

21 (a) Review the number of ignition interlock devices that are
22 required to be installed in the targeted county and the number of
23 ignition interlock devices actually installed;

24 (b) Work to identify those persons who are not complying with
25 ignition interlock requirements or are repeatedly violating ignition
26 interlock requirements; and

27 (c) Identify ways to track compliance and reduce noncompliance.

28 (5) As part of monitoring compliance, the Washington traffic
29 safety commission shall also track recidivism for violations of RCW
30 46.61.502 and 46.61.504 by persons required to have an ignition
31 interlock driver's license under RCW 46.20.385 and 46.20.720.

32 **Sec. 703.** RCW 46.68.060 and 2023 c 472 s 705 are each amended to
33 read as follows:

34 There is hereby created in the state treasury a fund to be known
35 as the highway safety fund to the credit of which must be deposited
36 all moneys directed by law to be deposited therein. This fund must be
37 used for carrying out the provisions of law relating to driver
38 licensing, driver improvement, financial responsibility, cost of
39 furnishing abstracts of driving records and maintaining such case

1 records, and to carry out the purposes set forth in RCW 43.59.010,
2 chapters 46.72 and 46.72A RCW, and RCW 47.04.410. During the
3 (~~(2021-2023 and)~~) 2023-2025 fiscal (~~(biennia)~~) biennium, the
4 legislature may direct the state treasurer to make transfers of
5 moneys in the highway safety fund to the multimodal transportation
6 account and the state patrol highway account. During the 2025-2027
7 fiscal biennium, the legislature may direct the state treasurer to
8 make transfers of moneys in the highway safety fund to the state
9 patrol highway account.

10 **Sec. 704.** RCW 46.68.063 and 2023 c 472 s 706 are each amended to
11 read as follows:

12 The department of licensing technology improvement and data
13 management account is created in the highway safety account. All
14 receipts from fees collected under RCW 46.12.630(5) must be deposited
15 into the account. Expenditures from the account may be used only for
16 investments in technology and data management at the department.
17 During the (~~(2021-2023 and)~~) 2023-2025 and 2025-2027 fiscal biennia,
18 the account may also be used for responding to public records
19 requests. Moneys in the account may be spent only after
20 appropriation.

21 **Sec. 705.** RCW 46.68.290 and 2023 c 472 s 707 are each amended to
22 read as follows:

23 (1) The transportation partnership account is hereby created in
24 the motor vehicle account. All distributions to the account from RCW
25 46.68.090 must be deposited into the account. Money in the account
26 may be spent only after appropriation. Expenditures from the account
27 must be used only for projects or improvements identified as 2005
28 transportation partnership projects or improvements in the omnibus
29 transportation appropriations act, including any principal and
30 interest on bonds authorized for the projects or improvements.

31 (2) The legislature finds that:

32 (a) Citizens demand and deserve accountability of transportation-
33 related programs and expenditures. Transportation-related programs
34 must continuously improve in quality, efficiency, and effectiveness
35 in order to increase public trust;

36 (b) Transportation-related agencies that receive tax dollars must
37 continuously improve the way they operate and deliver services so
38 citizens receive maximum value for their tax dollars; and

1 (c) Fair, independent, comprehensive performance audits of
2 transportation-related agencies overseen by the elected state auditor
3 are essential to improving the efficiency, economy, and effectiveness
4 of the state's transportation system.

5 (3) For purposes of chapter 314, Laws of 2005:

6 (a) "Performance audit" means an objective and systematic
7 assessment of a state agency or agencies or any of their programs,
8 functions, or activities by the state auditor or designee in order to
9 help improve agency efficiency, effectiveness, and accountability.
10 Performance audits include economy and efficiency audits and program
11 audits.

12 (b) "Transportation-related agency" means any state agency,
13 board, or commission that receives funding primarily for
14 transportation-related purposes. At a minimum, the department of
15 transportation, the transportation improvement board or its successor
16 entity, the county road administration board or its successor entity,
17 and the traffic safety commission are considered transportation-
18 related agencies. The Washington state patrol and the department of
19 licensing shall not be considered transportation-related agencies
20 under chapter 314, Laws of 2005.

21 (4) Within the authorities and duties under chapter 43.09 RCW,
22 the state auditor shall establish criteria and protocols for
23 performance audits. Transportation-related agencies shall be audited
24 using criteria that include generally accepted government auditing
25 standards as well as legislative mandates and performance objectives
26 established by state agencies. Mandates include, but are not limited
27 to, agency strategies, timelines, program objectives, and mission and
28 goals as required in RCW 43.88.090.

29 (5) Within the authorities and duties under chapter 43.09 RCW,
30 the state auditor may conduct performance audits for transportation-
31 related agencies. The state auditor shall contract with private firms
32 to conduct the performance audits.

33 (6) The audits may include:

34 (a) Identification of programs and services that can be
35 eliminated, reduced, consolidated, or enhanced;

36 (b) Identification of funding sources to the transportation-
37 related agency, to programs, and to services that can be eliminated,
38 reduced, consolidated, or enhanced;

1 (c) Analysis of gaps and overlaps in programs and services and
2 recommendations for improving, dropping, blending, or separating
3 functions to correct gaps or overlaps;

4 (d) Analysis and recommendations for pooling information
5 technology systems used within the transportation-related agency, and
6 evaluation of information processing and telecommunications policy,
7 organization, and management;

8 (e) Analysis of the roles and functions of the transportation-
9 related agency, its programs, and its services and their compliance
10 with statutory authority and recommendations for eliminating or
11 changing those roles and functions and ensuring compliance with
12 statutory authority;

13 (f) Recommendations for eliminating or changing statutes, rules,
14 and policy directives as may be necessary to ensure that the
15 transportation-related agency carry out reasonably and properly those
16 functions vested in the agency by statute;

17 (g) Verification of the reliability and validity of
18 transportation-related agency performance data, self-assessments, and
19 performance measurement systems as required under RCW 43.88.090;

20 (h) Identification of potential cost savings in the
21 transportation-related agency, its programs, and its services;

22 (i) Identification and recognition of best practices;

23 (j) Evaluation of planning, budgeting, and program evaluation
24 policies and practices;

25 (k) Evaluation of personnel systems operation and management;

26 (l) Evaluation of purchasing operations and management policies
27 and practices;

28 (m) Evaluation of organizational structure and staffing levels,
29 particularly in terms of the ratio of managers and supervisors to
30 nonmanagement personnel; and

31 (n) Evaluation of transportation-related project costs, including
32 but not limited to environmental mitigation, competitive bidding
33 practices, permitting processes, and capital project management.

34 (7) Within the authorities and duties under chapter 43.09 RCW,
35 the state auditor must provide the preliminary performance audit
36 reports to the audited state agency for comment. The auditor also may
37 seek input on the preliminary report from other appropriate
38 officials. Comments must be received within 30 days after receipt of
39 the preliminary performance audit report unless a different time
40 period is approved by the state auditor. The final performance audit

1 report shall include the objectives, scope, and methodology; the
2 audit results, including findings and recommendations; the agency's
3 response and conclusions; and identification of best practices.

4 (8) The state auditor shall provide final performance audit
5 reports to the citizens of Washington, the governor, the joint
6 legislative audit and review committee, the appropriate legislative
7 committees, and other appropriate officials. Final performance audit
8 reports shall be posted on the internet.

9 (9) The audited transportation-related agency is responsible for
10 follow-up and corrective action on all performance audit findings and
11 recommendations. The audited agency's plan for addressing each audit
12 finding and recommendation shall be included in the final audit
13 report. The plan shall provide the name of the contact person
14 responsible for each action, the action planned, and the anticipated
15 completion date. If the audited agency does not agree with the audit
16 findings and recommendations or believes action is not required, then
17 the action plan shall include an explanation and specific reasons.

18 The office of financial management shall require periodic
19 progress reports from the audited agency until all resolution has
20 occurred. The office of financial management is responsible for
21 achieving audit resolution. The office of financial management shall
22 annually report by December 31st the status of performance audit
23 resolution to the appropriate legislative committees and the state
24 auditor. The legislature shall consider the performance audit results
25 in connection with the state budget process.

26 The auditor may request status reports on specific audits or
27 findings.

28 (10) For the period from July 1, 2005, until June 30, 2007, the
29 amount of \$4,000,000 is appropriated from the transportation
30 partnership account to the state auditors office for the purposes of
31 subsections (2) through (9) of this section.

32 (11) During the (~~(2021-2023 and)~~) 2023-2025 and 2025-2027 fiscal
33 biennia, the legislature may direct the state treasurer to make
34 transfers of moneys in the transportation partnership account to the
35 motor vehicle account and the Tacoma Narrows toll bridge account.

36 **Sec. 706.** RCW 46.68.300 and 2024 c 310 s 603 are each amended to
37 read as follows:

38 The freight mobility investment account is hereby created in the
39 state treasury. Money in the account may be spent only after

1 appropriation. Expenditures from the account may be used only for
2 freight mobility projects that have been recommended by the freight
3 mobility strategic investment board in RCW 47.06A.020 and may include
4 any principal and interest on bonds authorized for the projects or
5 improvements. During the ((2021-2023 and)) 2023-2025 and 2025-2027
6 fiscal biennia, the expenditures from the account may also be used
7 for the administrative expenses of the freight mobility strategic
8 investment board.

9 **Sec. 707.** RCW 46.68.370 and 2023 c 472 s 709 are each amended to
10 read as follows:

11 The license plate technology account is created in the state
12 treasury. All receipts collected under RCW 46.17.015 must be
13 deposited into this account. Expenditures from this account must
14 support current and future license plate technology and systems
15 integration upgrades for both the department and correctional
16 industries. Moneys in the account may be spent only after
17 appropriation. Additionally, the moneys in this account may be used
18 to reimburse the motor vehicle ((~~account~~—[~~fund~~])) fund for any
19 appropriation made to implement the digital license plate system.
20 During the 2011-2013 and 2013-2015 fiscal biennia, the legislature
21 may transfer from the license plate technology account to the highway
22 safety fund such amounts as reflect the excess fund balance of the
23 license plate technology account. During the ((2021-2023 and))
24 2023-2025 and 2025-2027 fiscal biennia, the account may also be used
25 for the maintenance of recently modernized information technology
26 systems for vehicle registrations.

27 **Sec. 708.** RCW 46.68.395 and 2023 c 472 s 710 are each amended to
28 read as follows:

29 (1) The connecting Washington account is created in the motor
30 vehicle account. Moneys in the account may be spent only after
31 appropriation. Expenditures from the account must be used only for
32 projects or improvements identified as connecting Washington projects
33 or improvements in a transportation appropriations act, including any
34 principal and interest on bonds authorized for the projects or
35 improvements.

36 (2) Moneys in the connecting Washington account may not be
37 expended on the state route number 99 Alaskan Way viaduct replacement
38 project.

1 (3) During the 2023-2025 fiscal biennium, the legislature may
2 direct the state treasurer to make transfers of moneys in the
3 connecting Washington account to the move ahead WA account. During
4 the 2025-2027 fiscal biennium, the legislature may direct the state
5 treasurer to make transfers of moneys in the connecting Washington
6 account to the move ahead WA account and the motor vehicle fund.

7 **Sec. 709.** RCW 46.68.490 and 2023 c 472 s 711 are each amended to
8 read as follows:

9 (1) The climate active transportation account is hereby created
10 in the state treasury. Moneys in the account may be spent only after
11 appropriation. Expenditures from the account may be used only for the
12 following active transportation grant programs: Safe routes to
13 schools, school-based bike program, bicycle and pedestrian grant
14 program, complete streets grants program, and connecting communities
15 grant program, as well as pedestrian and bicycle or other active
16 transportation projects identified in an omnibus transportation
17 appropriations act as move ahead WA projects.

18 (2) Beginning July 1, 2023, the state treasurer shall annually
19 transfer 24 percent of the revenues accruing annually to the carbon
20 emissions reduction account created in RCW 70A.65.240 to the climate
21 active transportation account. This subsection does not apply during
22 the 2023-2025 and 2025-2027 fiscal (~~(biennium)~~) biennia.

23 **Sec. 710.** RCW 46.68.500 and 2023 c 472 s 712 are each amended to
24 read as follows:

25 (1) The climate transit programs account is hereby created in the
26 state treasury. Moneys in the account may be spent only after
27 appropriation. Expenditures from the account may be used only for the
28 following transit grant programs: Transit support grant program,
29 tribal transit mobility grants, transit coordination grants, special
30 needs transit grants, bus and bus facility grant program, green
31 transit grants, and transportation demand management grants, as well
32 as transit projects identified in an omnibus transportation
33 appropriations act as move ahead WA projects.

34 (2) Beginning July 1, 2023, the state treasurer shall annually
35 transfer 56 percent of the revenues accruing annually to the carbon
36 emissions reduction account created in RCW 70A.65.240 to the climate
37 transit programs account. This subsection does not apply during the
38 2023-2025 and 2025-2027 fiscal (~~(biennium)~~) biennia.

1 **Sec. 711.** RCW 46.68.510 and 2024 c 310 s 605 are each amended to
2 read as follows:

3 The move ahead WA account is created in the motor vehicle fund.
4 Moneys in the account may be spent only after appropriation.
5 Expenditures from the account must be used only for projects or
6 improvements identified as move ahead WA projects or improvements in
7 an omnibus transportation appropriations act, including any principal
8 and interest on bonds authorized for the projects or improvements.
9 During the 2023-2025 fiscal biennium, the legislature may direct the
10 state treasurer to make transfers of moneys from the move ahead WA
11 account to the motor vehicle fund. During the 2025-2027 fiscal
12 biennium, the legislature may direct the state treasurer to make
13 transfers of moneys from the move ahead WA account to the motor
14 vehicle fund, the state patrol highway account, and the Puget Sound
15 ferry operations account.

16 **Sec. 712.** RCW 47.56.876 and 2023 c 472 s 713 are each amended to
17 read as follows:

18 (1) A special account to be known as the state route number 520
19 civil penalties account is created in the state treasury. All state
20 route number 520 bridge replacement and HOV program civil penalties
21 generated from the nonpayment of tolls on the state route number 520
22 corridor must be deposited into the account, as provided under RCW
23 47.56.870(4)(b)(vii). Moneys in the account may be spent only after
24 appropriation. Expenditures from the account must be used to fund
25 legal obligations associated with bonds and loans associated with the
26 construction and operation of state route number 520 under
27 circumstances where the toll revenue collections at the time are not
28 sufficient to fully cover such legal obligations, and then may be
29 used to fund any project within the state route number 520 bridge
30 replacement and HOV program, including mitigation. The legislature
31 may direct the state treasurer to make transfers of moneys in the
32 state route number 520 civil penalties account to the state route
33 number 520 corridor account. During the ((2021-2023 and)) 2023-2025
34 and 2025-2027 fiscal biennia, the legislature may direct the state
35 treasurer to transfer moneys in the state route number 520 civil
36 penalties account to the motor vehicle ((account-[fund])) fund.

37 (2) For purposes of this section, "legal obligations associated
38 with bonds and loans" includes, but is not limited to, debt service
39 and all other activities necessary to comply with financial covenants

1 associated with state route number 520, costs associated with the
2 civil penalties program, and operation and maintenance costs.

3 **Sec. 713.** RCW 47.60.315 and 2023 c 472 s 714 are each amended to
4 read as follows:

5 (1) The commission shall adopt fares and pricing policies by
6 rule, under chapter 34.05 RCW, according to the following schedule:

7 (a) Each year the department shall provide the commission a
8 report of its review of fares and pricing policies, with
9 recommendations for the revision of fares and pricing policies for
10 the ensuing year;

11 (b) By September 1st of each year, beginning in 2008, the
12 commission shall adopt by rule fares and pricing policies for the
13 ensuing year.

14 (2) The commission may adopt by rule fares that are effective for
15 more or less than one year for the purposes of transitioning to the
16 fare schedule in subsection (1) of this section.

17 (3) The commission may increase ferry fares included in the
18 schedule of charges adopted under this section by a percentage that
19 exceeds the fiscal growth factor.

20 (4) The chief executive officer of the ferry system may authorize
21 the use of promotional, discounted, and special event fares to the
22 general public and commercial enterprises for the purpose of
23 maximizing capacity use and the revenues collected by the ferry
24 system. The department shall report to the commission a summary of
25 the promotional, discounted, and special event fares offered during
26 each fiscal year and the financial results from these activities.

27 (5) Fare revenues and other revenues deposited in the Puget Sound
28 ferry operations account created in RCW 47.60.530 may not be used to
29 support the Puget Sound capital construction account created in RCW
30 47.60.505, unless the support for capital is separately identified in
31 the fare or except as provided in section 715, chapter 333, Laws of
32 2021 during the 2021-2023 biennium and section 716, chapter 472, Laws
33 of 2023 during the 2023-2025 fiscal biennium.

34 (6) The commission may not raise fares until the fare rules
35 contain pricing policies developed under RCW 47.60.290, or September
36 1, 2009, whichever is later.

37 (7) The commission shall impose a vessel replacement surcharge of
38 25 cents on every one-way and round-trip ferry fare sold, including
39 multiride and monthly pass fares. This surcharge must be clearly

1 indicated to ferry passengers and drivers and, if possible, on the
2 fare media itself.

3 (8) Except as provided in subsection (10) of this section,
4 beginning May 1, 2020, the commission shall impose an additional
5 vessel replacement surcharge in an amount sufficient to fund 25 year
6 debt service on one 144-auto hybrid vessel taking into account funds
7 provided in chapter 417, Laws of 2019 or chapter . . . (SSB 5419),
8 Laws of 2019. The department of transportation shall provide to the
9 commission vessel and debt service cost estimates. Information on
10 vessels constructed or purchased with revenue from the surcharges
11 must be publicly posted including, but not limited to, the commission
12 website.

13 (9) The vessel replacement surcharges imposed in this section may
14 only be used for the construction or purchase of ferry vessels and to
15 pay the principal and interest on bonds authorized for the
16 construction or purchase of new ferry vessels.

17 (10) The commission shall not impose the additional vessel
18 replacement surcharge in subsection (8) of this section if doing so
19 would increase fares by more than 10 percent.

20 (11) For the 2023-2025 and 2025-2027 fiscal (~~biennium~~) biennia,
21 any ferry fuel surcharge imposed by the commission may not go into
22 effect until after the ensuing regular legislative session. If a fuel
23 surcharge is imposed as provided under this subsection, the
24 commission must reevaluate the need for the surcharge on at least a
25 quarterly basis to determine if the surcharge is still needed to
26 cover increased fuel costs, and revoke the surcharge if the
27 determination is that the surcharge is no longer needed for this
28 purpose.

29 **Sec. 714.** RCW 47.60.322 and 2023 c 472 s 715 are each amended to
30 read as follows:

31 (1) The capital vessel replacement account is created in the
32 motor vehicle account. All revenues generated from the vessel
33 replacement surcharge under RCW 47.60.315(7) and service fees
34 collected by the department of licensing or county auditor or other
35 agent appointed by the director under RCW 46.17.040, 46.17.050, and
36 46.17.060 must be deposited into the account. Moneys in the account
37 may be spent only after appropriation. Expenditures from the account
38 may be used only for the construction or purchase of ferry vessels
39 and to pay the principal and interest on bonds authorized for the

1 construction or purchase of ferry vessels. However, expenditures from
2 the account must first be used to support the construction or
3 purchase, including any applicable financing costs, of a ferry vessel
4 with a carrying capacity of at least (~~one hundred forty-four~~) 144
5 cars.

6 (2) The state treasurer may transfer moneys from the capital
7 vessel replacement account to the transportation 2003 account (nickel
8 account) for debt service on bonds issued for the construction of
9 144-car class ferry vessels.

10 (3) The legislature may transfer from the capital vessel
11 replacement account to the connecting Washington account created
12 under RCW 46.68.395 such amounts as reflect the excess fund balance
13 of the capital vessel replacement account to be used for ferry
14 terminal construction and preservation.

15 (4) During the (~~2021-2023 and~~) 2023-2025 and 2025-2027 fiscal
16 biennia, the legislature may direct the state treasurer to make
17 transfers of moneys in the capital vessel replacement account to the
18 transportation partnership account and the connecting Washington
19 account.

20 **Sec. 715.** RCW 47.60.530 and 2023 c 472 s 716 are each amended to
21 read as follows:

22 (1) The Puget Sound ferry operations account is created in the
23 motor vehicle account.

24 (2) The following funds must be deposited into the account:

- 25 (a) All moneys directed by law;
- 26 (b) All revenues generated from ferry fares; and
- 27 (c) All revenues generated from commercial advertising,
28 concessions, parking, and leases as allowed under RCW 47.60.140.

29 (3) Moneys in the account may be spent only after appropriation.

30 (4) Expenditures from the account may be used only for the
31 maintenance, administration, and operation of the Washington state
32 ferry system.

33 (5) During the (~~2021-2023 and~~) 2023-2025 and 2025-2027 fiscal
34 biennia, the legislature may direct the state treasurer to make
35 transfers of moneys in the Puget Sound ferry operations account to
36 the Puget Sound capital construction account.

37 **Sec. 716.** RCW 47.66.120 and 2024 c 104 s 1 are each amended to
38 read as follows:

1 (1) (a) The department's public transportation division shall
2 establish a green transportation capital grant program. The purpose
3 of the grant program is to aid any transit authority in funding cost-
4 effective capital projects to reduce the carbon intensity of the
5 Washington transportation system, examples of which include:
6 Electrification of vehicle fleets, including battery and fuel cell
7 electric vehicles; modification or replacement of capital facilities
8 in order to facilitate fleet electrification and/or hydrogen
9 refueling; necessary upgrades to electrical transmission and
10 distribution systems; and construction of charging and fueling
11 stations. The department's public transportation division shall
12 identify projects and shall submit a prioritized list of all projects
13 requesting funding to the legislature by December 1st of each even-
14 numbered year.

15 (b) The department's public transportation division shall select
16 projects based on a competitive process that considers the following
17 criteria:

18 (i) The cost-effectiveness of the reductions in carbon emissions
19 provided by the project; and

20 (ii) The benefit provided to transitioning the entire state to a
21 transportation system with lower carbon intensity.

22 (c) During the 2023-2025 and 2025-2027 fiscal (~~biennium~~)
23 biennia, the department must incorporate principles into the grant
24 selection process with the goal of increasing the distribution of
25 funding to communities based on addressing environmental harms and
26 providing environmental benefits for overburdened communities, as
27 defined in RCW 70A.02.010, and vulnerable populations.

28 (2) The department's public transportation division must
29 establish an advisory committee to assist in identifying projects
30 under subsection (1) of this section. The advisory committee must
31 include representatives from the department of ecology, the
32 department of commerce, the utilities and transportation commission,
33 and at least one transit authority.

34 (3) In order to receive green transportation capital grant
35 program funding for a project, a transit authority must provide
36 matching funding at the level deemed appropriate by the department.

37 (4) The department's public transportation division must report
38 annually to the transportation committees of the legislature on the
39 status of any grant projects funded by the program created under this
40 section.

1 (5) For purposes of this section, "transit authority" means a
2 city transit system under RCW 35.58.2721 or chapter 35.95A RCW, a
3 county public transportation authority under chapter 36.57 RCW, a
4 metropolitan municipal corporation transit system under chapter 36.56
5 RCW, a public transportation benefit area under chapter 36.57A RCW,
6 an unincorporated transportation benefit area under RCW 36.57.100, a
7 regional transit authority under chapter 81.112 RCW, or any special
8 purpose district formed to operate a public transportation system.

9 (6) During the 2021-2023 fiscal biennium, the department may
10 provide up to 20 percent of the total green transportation capital
11 grant program funding for zero emissions capital transition planning
12 projects. During the 2023-2025 and 2025-2027 fiscal (~~biennium~~)
13 biennia, the department may provide up to 10 percent of the total
14 green transportation capital grant program funding for zero emissions
15 capital transition planning projects.

16 **Sec. 717.** RCW 47.68.090 and 2024 c 310 s 607 are each amended to
17 read as follows:

18 (1) The department of transportation may make available its
19 engineering and other technical services, with or without charge, to
20 any municipality or person desiring them in connection with the
21 planning, acquisition, construction, improvement, maintenance, or
22 operation of airports or air navigation facilities.

23 (2) (a) The department may render financial assistance by grant or
24 loan, or both, to the following entities out of appropriations made
25 by the legislature for the following purposes:

26 (i) Any municipality or municipalities acting jointly in the
27 planning, acquisition, construction, improvement, maintenance, or
28 operation of an airport owned or controlled, or to be owned or
29 controlled by such municipality or municipalities;

30 (ii) Any Indian tribe recognized as such by the federal
31 government or such tribes acting jointly in the planning,
32 acquisition, construction, improvement, maintenance, or operation of
33 an airport, owned or controlled, or to be owned or controlled by such
34 tribe or tribes, and to be held available for the general use of the
35 public; or

36 (iii) Any person or persons acting jointly in the planning,
37 acquisition, construction, improvement, maintenance, or operation of
38 an airport, owned or controlled, or to be owned or controlled by such

1 person or persons, and to be held available for the general use of
2 the public.

3 (b) Such financial assistance may be furnished in connection with
4 federal or other financial aid for the same purposes: PROVIDED, That
5 no grant or loan, or both, shall be in excess of \$750,000 for any one
6 project: PROVIDED FURTHER, That no grant or loan, or both, shall be
7 granted unless the municipality or municipalities acting jointly, the
8 tribe or tribes acting jointly, or the person or persons acting
9 jointly shall from their own funds match any funds made available by
10 the department upon such ratio as the department may prescribe.

11 (c) The requirements of (b) of this subsection do not apply for
12 projects when directed to do so by the legislature during the
13 2023-2025 and 2025-2027 fiscal (~~(biennium)~~) biennia in an omnibus
14 transportation appropriations act.

15 (d) The department must establish, by rule, criteria for
16 administering financial assistance to any entity.

17 (3) The department is authorized to act as agent of any
18 municipality or municipalities acting jointly, any tribe or tribes
19 acting jointly, or any person or persons acting jointly upon the
20 request of such municipality or municipalities, tribe or tribes, or
21 person or persons in accepting, receiving, receipting for, and
22 disbursing federal moneys, and other moneys public or private, made
23 available to finance, in whole or in part, the planning, acquisition,
24 construction, improvement, maintenance, or operation of an airport or
25 air navigation facility; and if requested by such municipality or
26 municipalities, tribe or tribes, or person or persons, may act as its
27 or their agent in contracting for and supervising such planning,
28 acquisition, construction, improvement, maintenance, or operation;
29 and all municipalities, tribes, and persons are authorized to
30 designate the department as their agent for the foregoing purposes.
31 The department, as principal on behalf of the state, and any
32 municipality on its own behalf, may enter into any contracts, with
33 each other or with the United States or with any person, which may be
34 required in connection with a grant or loan of federal moneys for
35 airport or air navigation facility purposes. All federal moneys
36 accepted under this section shall be accepted and transferred or
37 expended by the department upon such terms and conditions as are
38 prescribed by the United States. All moneys received by the
39 department pursuant to this section shall be deposited in the state
40 treasury, and, unless otherwise prescribed by the authority from

1 which such moneys were received, shall be kept in separate funds
2 designated according to the purposes for which the moneys were made
3 available, and held by the state in trust for such purposes. All such
4 moneys are hereby appropriated for the purposes for which the same
5 were made available, to be disbursed or expended in accordance with
6 the terms and conditions upon which they were made available:
7 PROVIDED, That any landing fee or charge imposed by any Indian tribe
8 or tribes for the privilege of use of an airport facility planned,
9 acquired, constructed, improved, maintained, or operated with
10 financial assistance from the department pursuant to this section
11 must apply equally to tribal and nontribal members: PROVIDED FURTHER,
12 That in the event any municipality or municipalities, Indian tribe or
13 tribes, or person or persons, or any distributor of aircraft fuel as
14 defined by RCW 82.42.010 which operates in any airport facility which
15 has received financial assistance pursuant to this section, fails to
16 collect the aircraft fuel excise tax as specified in chapter 82.42
17 RCW, all funds or value of technical assistance given or paid to such
18 municipality or municipalities, Indian tribe or tribes, or person or
19 persons under the provisions of this section shall revert to the
20 department, and shall be due and payable to the department
21 immediately.

22 **Sec. 718.** RCW 70A.65.240 and 2022 c 182 s 101 are each amended
23 to read as follows:

24 (1) The carbon emissions reduction account is created in the
25 state treasury. Moneys in the account may be spent only after
26 appropriation. Expenditures from the account are intended to affect
27 reductions in transportation sector carbon emissions through a
28 variety of carbon reducing investments. These can include, but are
29 not limited to: Transportation alternatives to single occupancy
30 passenger vehicles; reductions in single occupancy passenger vehicle
31 miles traveled; reductions in per mile emissions in vehicles,
32 including through the funding of alternative fuel infrastructure and
33 incentive programs; and emission reduction programs for freight
34 transportation, including motor vehicles and rail, as well as for
35 ferries and other maritime and port activities. Expenditures from the
36 account may only be made for transportation carbon emission reducing
37 purposes and may not be made for highway purposes authorized under
38 the 18th Amendment of the Washington state Constitution, other than
39 specified in this section, and shall be made in accordance with

1 subsection (2) of this section. It is the legislature's intent that
2 expenditures from the account used to reduce carbon emissions be made
3 with the goal of achieving equity for communities that historically
4 have been omitted or adversely impacted by past transportation
5 policies and practices.

6 (2) Appropriations in an omnibus transportation appropriations
7 act from the carbon emissions reduction account shall be made
8 exclusively to fund the following activities:

- 9 (a) Active transportation;
- 10 (b) Transit programs and projects;
- 11 (c) Alternative fuel and electrification;
- 12 (d) Ferries; and
- 13 (e) Rail.

14 (3) During the 2025-2027 fiscal biennium, the legislature may
15 direct the state treasurer to make transfers of moneys from the
16 carbon emissions reduction account to the Puget Sound ferry
17 operations account.

18 **Sec. 719.** RCW 46.68.520 and 2022 c 182 s 402 are each amended to
19 read as follows:

20 The move ahead WA flexible account is created in the state
21 treasury. Moneys in the account may be spent only after
22 appropriation. Expenditures from the account may be used only for
23 transportation projects, programs, or activities identified as move
24 ahead WA projects, programs, or activities in an omnibus
25 transportation appropriations act.

26 During the 2025-2027 fiscal biennium, the legislature may direct
27 the state treasurer to make transfers of moneys from the move ahead
28 WA flexible account to the move ahead WA account.

29 **Sec. 720.** RCW 46.68.280 and 2019 c 416 s 706 are each amended to
30 read as follows:

31 (1) The transportation 2003 account (nickel account) is hereby
32 created in the motor vehicle fund. Money in the account may be spent
33 only after appropriation. Expenditures from the account must be used
34 only for projects or improvements identified as transportation 2003
35 projects or improvements in the omnibus transportation budget and to
36 pay the principal and interest on the bonds authorized for
37 transportation 2003 projects or improvements. Upon completion of the
38 projects or improvements identified as transportation 2003 projects

1 or improvements, moneys deposited in this account must only be used
2 to pay the principal and interest on the bonds authorized for
3 transportation 2003 projects or improvements, and any funds in the
4 account in excess of the amount necessary to make the principal and
5 interest payments may be used for maintenance on the completed
6 projects or improvements.

7 ~~(2) ((During the 2015-2017 fiscal biennium, the legislature may~~
8 ~~transfer from the transportation 2003 account (nickel account) to the~~
9 ~~connecting Washington account such amounts as reflect the excess fund~~
10 ~~balance of the transportation 2003 account (nickel account)).~~

11 ~~(3) During the 2017-2019 and the 2019-2021 fiscal biennia, the~~
12 ~~legislature may direct the state treasurer to make transfers of~~
13 ~~moneys in the transportation 2003 account (nickel account) to the~~
14 ~~connecting Washington account, the Puget Sound capital construction~~
15 ~~account, and the Tacoma Narrows toll bridge account.~~

16 ~~(4))~~ The "nickel account" means the transportation 2003 account.

17 (3) During the 2025-2027 fiscal biennium, the legislature may
18 direct the state treasurer to make transfers of moneys in the
19 transportation 2003 account (nickel account) to the Puget Sound
20 capital construction account.

21 **Sec. 721.** RCW 82.21.030 and 2023 c 68 s 3 are each amended to
22 read as follows:

23 (1)(a) A tax is imposed on the privilege of possession of
24 hazardous substances in this state. Except as provided in (b) of this
25 subsection, the rate of the tax is seven-tenths of one percent
26 multiplied by the wholesale value of the substance. Moneys collected
27 under this subsection (1)(a) must be deposited in the model toxics
28 control capital account.

29 (b) For the fiscal year beginning July 1, 2019, the rate of the
30 tax on petroleum products is \$1.09 per barrel. For subsequent fiscal
31 years, the rate of tax on petroleum products is determined pursuant
32 to subsection (3) of this section. The tax collected under this
33 subsection (1)(b) on petroleum products must be deposited as follows,
34 after first depositing the tax as provided in (c) of this subsection,
35 except that during the ~~((2021-2023))~~ 2025-2027 biennium the deposit
36 as provided in (c) of this subsection may be prorated equally across
37 each month of the biennium:

38 (i) Sixty percent to the model toxics control operating account
39 created under RCW 70A.305.180;

1 (ii) Twenty-five percent to the model toxics control capital
2 account created under RCW 70A.305.190; and

3 (iii) Fifteen percent to the model toxics control stormwater
4 account created under RCW 70A.305.200.

5 (c) Until the beginning of the ensuing biennium after the
6 enactment of an additive transportation funding act, \$50,000,000 per
7 biennium to the motor vehicle fund to be used exclusively for
8 transportation stormwater activities and projects. For purposes of
9 this subsection, "additive transportation funding act" means an act
10 enacted after June 30, 2023, in which the combined total of new
11 revenues deposited into the motor vehicle fund and the multimodal
12 transportation account exceed \$2,000,000,000 per biennium
13 attributable solely to an increase in revenue from the enactment of
14 the act.

15 (d) The department must compile a list of petroleum products that
16 are not easily measured on a per barrel basis. Petroleum products
17 identified on the list are subject to the rate under (a) of this
18 subsection in lieu of the volumetric rate under (b) of this
19 subsection. The list will be made in a form and manner prescribed by
20 the department and must be made available on the department's
21 internet website. In compiling the list, the department may accept
22 technical assistance from persons that sell, market, or distribute
23 petroleum products and consider any other resource the department
24 finds useful in compiling the list.

25 (2) Chapter 82.32 RCW applies to the tax imposed in this chapter.
26 The tax due dates, reporting periods, and return requirements
27 applicable to chapter 82.04 RCW apply equally to the tax imposed in
28 this chapter.

29 (3) For fiscal years beginning on or after July 1, 2020, the rate
30 of tax on petroleum products for the previous fiscal year must be
31 adjusted to reflect the percentage change in the implicit price
32 deflator for nonresidential structures as published by the United
33 States department of commerce, bureau of economic analysis for the
34 most recent 12-month period ending December 31st of the prior year.

35 NEW SECTION. **Sec. 722.** Any agency receiving appropriations in
36 this act from climate commitment act accounts created in RCW
37 70A.65.240 through 70A.65.280, must report to and coordinate with the
38 department of ecology to track expenditures as defined and described
39 in RCW 70A.65.300 and chapter 173-446B WAC.

(End of part)

1 **MISCELLANEOUS**

2 NEW SECTION. **Sec. 801.** If any provision of this act or its
3 application to any person or circumstance is held invalid, the
4 remainder of the act or the application of the provision to other
5 persons or circumstances is not affected.

6 NEW SECTION. **Sec. 802.** This act is necessary for the immediate
7 preservation of the public peace, health, or safety, or support of
8 the state government and its existing public institutions, and takes
9 effect immediately.

(End of Bill)

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