subject to effective competition from energy suppliers not regulated by the utilities and transportation commission. "Banded rate" means a rate that has a minimum and maximum rate. Rates may be changed within the rate band upon such notice as the commission may order.

<u>NEW SECTION.</u> Sec. 3. Sections 1 and 2 of this act are added to chapter 80.28 RCW.

<u>NEW SECTION.</u> Sec. 4. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House February 8, 1988. Passed the Senate February 29, 1988. Approved by the Governor March 21, 1988. Filed in Office of Secretary of State March 21, 1988.

CHAPTER 167

[Substitute House Bill No. 1857] TRANSPORTATION IMPROVEMENT BOARD

AN ACT Relating to transportation; amending RCW 35.77.010, 36.79.110, 36.81.121, 44.40.070, 47.01.031, 47.01.240, 47.26.080, 47.26.130, 47.26.140, 47.26.160, 47.26.170, 47.26.180, 47.26.185, 47.26.190, 47.26.220, 47.26.230, 47.26.240, 47.26.260, 47.26.270, 47.26.305, 47.26.310, 47.26.4254, 47.26.430, 47.26.440, and 47.26.450; reenacting and amending RCW 43.03.028, 47.26.090, and 47.26.150; adding new sections to chapter 47.26 RCW; creating new sections; and repealing RCW 47.26.085, 47.26.120, 47.26.183, 47.26.281, and 47.26.290.

Be it enacted by the Legislature of the State of Washington:

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 47.26 RCW to read as follows:

(1) There is hereby created a transportation improvement board of fifteen members, six of whom shall be county members and six of whom shall be city members. The remaining members shall be: (a) The assistant secretary of the department of transportation whose primary responsibilities relate to planning and public transportation; (b) the assistant secretary for highways of the department of transportation; and (c) the state aid engineer of the department of transportation.

(2) Of the county members of the board, one member shall be a county engineer from a county of the first class or larger; one member shall be a county engineer from a county of the second class or smaller; one member shall be an engineer occupying the position of county road administration engineer, created by RCW 36.78.060; two members shall be county executives, council members, or commissioners from counties of the first class or larger; one member shall be a county executive, council member, or commissioner from a county of the second class or smaller. All county members of the board, except the county road administration engineer, shall be appointed. Not more than one county member of the board shall be from any one county. For the purposes of this subsection, the term county engineer shall mean the director of public works in any county in which such a position exists.

(3) Of the city members of the board two shall be chief city engineers, public works directors, or other city employees with responsibility for public works activities, of cities over twenty thousand population; one shall be a chief city engineer, public works director, or other city employee with responsibility for public works activities, of a city of less than twenty thousand population; two shall be mayors, commissioners, or city council members of cities of more than twenty thousand population; and one shall be a mayor, commissioner, or council member of a city of less than twenty thousand population. All of the city members shall be appointed. Not more than one city member of the board shall be from any one city.

(4) Appointments of county and city representatives shall be made by the secretary of the department of transportation, with initial appointments to be made by July 1, 1988. Appointees shall be chosen from a list of two persons for each position nominated by the Washington state association of counties for county members and the association of Washington cities for city members. Except as provided in subsection (5) of this section, terms of appointment are four years. In the case of a vacancy, the appointment shall be only for the remainder of the unexpired term in which the vacancy has occurred. A vacancy shall be deemed to have occurred on the board when any member elected to public office completes that term of office or is removed therefrom for any reason or when any member employed by a political subdivision terminates such employment for whatsoever reason.

(5) The initial appointment to the board for three county representatives and three city representatives shall be for terms of two years and the remainder of the appointments shall be for terms of four years. Terms of all appointed members shall expire on June 30th of even-numbered years.

(6) The board shall elect a chair from among its members for a twoyear term.

(7) Expenses of the board, including administration of the transportation improvement program, shall be paid from the urban arterial account.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 47.26 RCW to read as follows:

The transportation improvement account is hereby created in the motor vehicle fund. The board shall adopt rules and procedures which shall govern the allocation of funds in the transportation improvement account at such time as funds become available.

The board shall allocate funds from the account by June 30 of each year for the ensuing fiscal year and shall endeavor to provide geographical diversity in selecting improvement projects to be funded from the account. Of the amount made available to the transportation improvement board from the transportation improvement account for improvement projects:

(1) Eighty-seven percent shall be allocated to counties, to cities with a population of over five thousand, and to transportation benefit districts. Improvement projects may include, but are not limited to, multi-agency and suburban arterial improvement projects.

To be eligible to receive these funds, a project must be (a) consistent with state, regional, and local transportation plans and consideration shall be given to the project's relationship, both actual and potential, with rapid mass transit and at such time as a rail plan is developed by the rail development commission, projects must be consistent therewith, (b) necessitated by existing or reasonably foresceable congestion levels attributable to economic development or growth, and (c) partially funded by local government or private contributions, or a combination of such contributions. The board shall, for those projects meeting the eligibility criteria, determine what percentage of each project is funded by local and/or private contribution. Priority consideration shall be given to those projects with the greatest percentage of local and/or private contribution.

Within one year after board approval of an application for funding, a county, city, or transportation benefit district shall provide written certification to the board of the pledged local and/or private funding. Funds allocated to an applicant that does not certify its funding within one year after approval may be reallocated by the board.

(2) Thirteen percent shall be allocated by the board to cities with a population of five thousand or less for street improvement projects in a manner determined by the board.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 47.26 RCW to read as follows:

Any county, city, or transportation benefit district constructing a project using transportation improvement account funds shall submit to the board its voucher for payment of the transportation improvement account share of the cost. The chair of the board or the chair's designee shall approve the voucher, when proper to do so, for payment from the account.

The board may adopt rules providing for the approval of payments of funds in the account for costs of construction of an approved project for work in progress and when the project is complete. These payments shall at no time exceed the account share of the costs of construction incurred to the date of the voucher covering the payment.

<u>NEW SECTION.</u> Sec. 4. In addition to any other reports required by law, by January 15, 1989, the transportation improvement board shall submit to the legislative transportation committee a report setting forth its plans for implementing the provisions of this act. The report shall include the criteria intended to be applied in allocating funds in the transportation improvement account, the local and/or private contribution requirements, and the procedures to be followed by applicants.

<u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 47.26 RCW to read as follows:

In addition to any other reports required by law, beginning July 1, 1989, and annually thereafter, the board shall submit a report to the legislative transportation committee covering board activities and expenditures for the previous fiscal year and planned activities and expenditures for the ensuing fiscal year. Each report shall include information on administrative expenditures as well as expenditures for improvement projects.

Sec. 6. Section 35.77.010, chapter 7, Laws of 1965 as last amended by section 23, chapter 7, Laws of 1984 and RCW 35.77.010 are each amended to read as follows:

(1) The legislative body of each city and town, pursuant to one or more public hearings thereon, shall prepare and adopt a comprehensive street program for the ensuing six calendar years and shall file the program with the secretary of transportation not more than thirty days after its adoption. Annually thereafter the legislative body of each city and town shall review the work accomplished under the program and determine current city street needs. Based on these findings each such legislative body shall prepare and after public hearings thereon adopt a revised and extended comprehensive street program before July 1st of each year, and each one-year extension and revision shall be filed with the secretary of transportation not more than thirty days after its adoption. The purpose of this section is to assure that each city and town shall perpetually have available advanced plans looking to the future for not less than six years as a guide in carrying out a coordinated street construction program. The program may at any time be revised by a majority of the legislative body of a city or town, but only after a public hearing.

The six-year program of each city lying within an urban area shall contain a separate section setting forth the six-year program for arterial street construction based upon its long range construction plan and formulated in accordance with rules of the ((urban arterial)) transportation improvement board. The six-year program for arterial street construction shall be submitted to the ((urban arterial)) transportation improvement board forthwith after its annual revision and adoption by the legislative body of the city. The six-year program for arterial street construction shall be based upon estimated revenues available for such construction together with such additional sums as the legislative authority may request for urban arterials ((only)) from the urban arterial trust account or the transportation improvement account for the six-year period. The arterial street construction program shall provide for a more rapid rate of completion of the long-range construction needs of ((major)) principal arterial streets than for ((secondary)) minor and collector arterial streets, pursuant to rules of the ((urban

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arterial)) transportation improvement board: PROVIDED, That urban arterial trust funds made available to the group of incorporated cities lying outside the boundaries of federally approved urban areas within each region need not be divided between functional classes of arterials but shall be available for any designated arterial street.

(2) ((On and after July 1, 1976,)) Each six-year program forwarded to the secretary in compliance with subsection (1) of this section shall contain information as to how a city or town will expend its moneys, including funds made available pursuant to chapter 47.30 RCW, for bicycle, pedestrian, and equestrian purposes.

Sec. 7. Section 11, chapter 49, Laws of 1983 1st ex. sess. and RCW 36.79.110 are each amended to read as follows:

The county road administration board and the ((urban arterial)) transportation improvement board shall jointly adopt rules to assure coordination of their respective programs especially with respect to projects proposed by the group of incorporated cities outside the boundaries of federally approved urban areas, and to encourage the system development of countycity arterials in rural areas.

Sec. 8. Section 20, chapter 49, Laws of 1983 1st ex. sess. and RCW 36.81.121 are each amended to read as follows:

(1) Before July 1st of each year, the legislative authority of each county with the advice and assistance of the county road engineer, and pursuant to one or more public hearings thereon, shall prepare and adopt a comprehensive road program for the ensuing six calendar years. The program shall include proposed road and bridge construction work, and for those counties operating ferries shall also include a separate section showing proposed capital expenditures for ferries, docks, and related facilities. Copies of the program shall be filed with the county road administration board and with the state secretary of transportation not more than thirty days after its adoption by the legislative authority. The purpose of this section is to assure that each county shall perpetually have available advanced plans looking to the future for not less than six years as a guide in carrying out a coordinated road construction program. The program may at any time be revised by a majority of the legislative authority but only after a public hearing thereon.

(2) The six-year program of each county having an urban area within its boundaries shall contain a separate section setting forth the six-year program for arterial road construction based upon its long-range construction plan and formulated in accordance with regulations of the ((urban arterial)) transportation improvement board. The six-year program for arterial road construction shall be submitted to the ((urban arterial)) transportation improvement board forthwith after its annual revision and adoption by the legislative authority of each county. The six-year program for arterial road construction shall be based upon estimated revenues available for such construction together with such additional sums as the legislative authority of each county may request for urban arterials ((only)) from the urban arterial trust account or the transportation improvement account for the six-year period. The arterial road construction program shall provide for a more rapid rate of completion of the long-range construction needs of ((major)) principal arterial roads than for ((secondary)) minor and collector arterial roads, pursuant to regulations of the ((urban arterial)) transportation improvement board.

(3) Each six-year program forwarded to the secretary in compliance with subsection (1) of this section shall contain information as to how a county will expend its moneys, including funds made available pursuant to chapter 47.30 RCW, for bicycles, pedestrians, and equestrian purposes.

Sec. 9. Section 20, chapter 87, Laws of 1980 as last amended by section 7, chapter 249, Laws of 1987 and by section 15, chapter 504, Laws of 1987 and RCW 43.03.028 are each reenacted and amended to read as follows:

(1) There is hereby created a state committee on agency officials' salaries to consist of seven members, or their designees, as follows: The president of the University of Puget Sound; the chairperson of the council of presidents of the state's four-year institutions of higher education; the chairperson of the State Personnel Board; the president of the Association of Washington Business; the president of the Pacific Northwest Personnel Managers' Association; the president of the Washington State Bar Association; and the president of the Washington State Labor Council. If any of the titles or positions mentioned in this subsection are changed or abolished, any person occupying an equivalent or like position shall be qualified for appointment by the governor to membership upon the committee.

(2) The committee shall study the duties and salaries of the directors of the several departments and the members of the several boards and commissions of state government, who are subject to appointment by the governor or whose salaries are fixed by the governor, and of the chief executive officers of the following agencies of state government:

The arts commission; the human rights commission; the board of accountancy; the board of pharmacy; the capitol historical association and museum; the eastern Washington historical society; the Washington state historical society; the interagency committee for outdoor recreation; the criminal justice training commission; the department of personnel; the state finance committee; the state library; the traffic safety commission; the horse racing commission; ((the commission for vocational education;)) the advisory council on vocational education; the public disclosure commission; the hospital commission; the state conservation commission; the commission on Hispanic affairs; the commission on Asian-American affairs; the state board for volunteer firemen; the ((urban arterial)) transportation improvement board; the public employees relations commission; the forest practices appeals board; and the energy facilities site evaluation council.

The committee shall report to the governor or the chairperson of the appropriate salary fixing authority at least once in each fiscal biennium on such date as the governor may designate, but not later than seventy-five days prior to the convening of each regular session of the legislature during an odd-numbered year, its recommendations for the salaries to be fixed for each position.

(3) Committee members shall be reimbursed by the department of personnel for travel expenses under RCW 43.03.050 and 43.03.060.

Sec. 10. Section 1, chapter 201, Laws of 1973 1st ex. sess. as last amended by section 3, chapter 192, Laws of 1979 ex. sess. and RCW 44-.40.070 are each amended to read as follows:

Prior to October 1st of each even-numbered year all state agencies whose major programs consist of transportation activities, including the department of transportation, the utilities and transportation commission, the ((urban arterial)) transportation improvement board, the Washington state patrol, the department of licensing, the traffic safety commission, the county road administration board, and the board of pilotage commissioners, shall adopt or revise, after consultation with the legislative transportation committee, a comprehensive six-year program and financial plan for all transportation activities under each agency's jurisdiction.

The comprehensive six-year program and financial plan shall state the general objectives and needs of each agency's major transportation programs, including workload and performance estimates.

Sec. 11. Section 3, chapter 151, Laws of 1977 ex. sess. and RCW 47-.01.031 are each amended to read as follows:

(1) There is created a department of state government to be known as the department of transportation.

(2) All powers, duties, and functions vested by law in the department of highways, the state highway commission, the director of highways, the Washington toll bridge authority, the aeronautics commission, the director of aeronautics, and the canal commission, and the transportation related powers, duties, and functions of the planning and community affairs agency, are transferred to the jurisdiction of the department, except those powers, duties, and functions which are expressly directed elsewhere in this or in any other act of the 1977 legislature.

(3) The ((urban arterial board and the)) board of pilotage commissioners ((are)) is transferred to the jurisdiction of the department for ((their)) its staff support and administration: PROVIDED, That nothing in this section shall be construed as transferring any policy making powers of the ((urban arterial board or the)) board of pilotage commissioners to the transportation commission or the department of transportation. Sec. 12. Section 10, chapter 195, Laws of 1971 ex. sess. as amended by section 82, chapter 7, Laws of 1984 and RCW 47.01.240 are each amended to read as follows:

The department and the ((urban arterial)) transportation improvement board shall coordinate their activities relative to long-range needs studies, in accordance with the provisions of chapter 47.05 RCW and RCW 47.26-.170, respectively, in order that long-range needs data may be developed and maintained on an integrated and comparable basis. Needs data for county roads and city streets in nonursum areas shall be provided by the counties and cities to the department in such form and extent as requested by the department, after consultation with the county road administration board and the association of Washington cities, in order that needs data may be obtained on a comparable basis for all highways, roads, and streets in Washington.

Sec. 13. Section 14, chapter 83, Laws of 1967 ex. sess. as last amended by section 2, chapter 315, Laws of 1981 and RCW 47.26.080 are each amended to read as follows:

There is hereby created in the motor vehicle fund the urban arterial trust account. All moneys deposited in the motor vehicle fund to be credited to the urban arterial trust account shall be expended for the construction and improvement of city arterial streets and county arterial roads within urban areas, for expenses of the ((urban arterial)) transportation improvement board, or for the payment of principal or interest on bonds issued for the purpose of constructing or improving city arterial streets and county arterial roads within urban areas, or for reimbursement to the state, counties, cities, and towns in accordance with RCW 47.26.4252 and 47.26.4254, the amount of any payments made on principal or interest on urban arterial trust account bonds from motor vehicle or special fuel tax revenues which were distributable to the state, counties, cities, and towns.

Sec. 14. Section 15, chapter 83, Laws of 1967 ex. sess. and RCW 47-.26.090 are each reenacted and amended to read as follows:

The term "arterial" as used in ((RCW 47.26.080 through 47.26.290 and 47.26.420 through 47.26.440, 35.77.010 and 36.81.121)) this chapter means any state highway, county road, or city street ((so designated in accordance with criteria established by regulations of the urban arterial board)), in an urban area, that is functionally classified by the federal highway administration as a principal arterial, minor arterial, or collector street.

Sec. 15. Section 19, chapter 83, Laws of 1967 ex. sess. as last amended by section 139, chapter 34, Laws of 1975-'76 2nd ex. sess. and RCW 47-.26.130 are each amended to read as follows:

Members of the ((urban arterial)) transportation improvement board shall receive no compensation for their services on the board, but shall be

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reimbursed for travel expenses incurred while attending meetings of the board or while engaged on other business of the board when authorized by the board in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended.

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Sec. 16. Section 20, chapter 83, Laws of 1967 ex. sess. as last amended by section 58, chapter 151, Laws of 1977 ex. sess. and RCW 47.26.140 are each amended to read as follows:

((The department of transportation shall furnish necessary staff services and facilities required by the urban arterial board. The cost of such services, together with travel expenses in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended, of the members and all other lawful expenses of the board, shall be paid from the urban arterial trust account in the motor vehicle fund:)) The ((urban arterial)) transportation improvement board ((may)) shall appoint an executive ((secretary)) director, who shall serve at its pleasure and whose salary shall be set by the board ((and)), and may employ additional staff as it deems appropriate. All costs associated with staff, together with travel expenses in accordance with RCW 43.03.050 and 43.03.060, shall be paid from the urban arterial trust account in the motor vehicle fund.

Sec. 17. Section 21, chapter 83, Laws of 1967 cx. sess. and RCW 47-.26.150 are each reenacted and amended to read as follows:

The ((urban arterial)) transportation improvement board shall ((first meet during the first week of July, 1967. Thereafter the board shall)) meet at least once quarterly and upon the call of its chairman and shall from time to time adopt rules and regulations for its own government and as may be necessary for it to discharge its duties and exercise its powers under this chapter.

Sec. 18. Section 22, chapter 83, Laws of 1967 ex. sess. as last amended by section 51, chapter 505, Laws of 1987 and RCW 47.26.160 are each amended to read as follows:

The ((urban arterial)) transportation improvement board shall:

(1) Adopt rules necessary to implement the provisions of this chapter relating to the allocation of funds ((in the urban arterial trust account of the motor vehicle fund to counties and cities));

(2) Adopt reasonably uniform design standards for city and county arterials that meet the requirements for urban development;

(3) Report biennially on the first day of November of the even-numbered years to the department and to the chairs of the house and senate transportation committees, including one copy to the staff of each of the committees, regarding progress of cities and counties in developing longrange plans for their urban arterial construction $((and))_{2}$ programming ((or)) of urban arterial construction work, and the allocation of ((urban arterial trust)) funds ((to the cities and counties)). Sec. 19. Section 23, chapter 83, Laws of 1967 ex. sess. as last amended by section 156, chapter 7, Laws of 1984 and RCW 47.26.170 are each amended to read as follows:

The legislative authority of each county or city lying within or having within its boundaries an urban area shall prepare, adopt, and submit to the ((urban-arterial)) transportation improvement board a long-range plan for arterial construction, taking into account the comprehensive land use plan of each such jurisdiction and setting forth arterial construction needs through a ((fourteen-year)) six-year advance planning period. The longrange arterial construction plans shall be revised by the counties and cities every two years to show the current arterial construction needs through ((a fourteen-year)) the advanced planning period, and as revised shall be submitted to the ((urban arterial)) transportation improvement board during the first week of January of every even-numbered year. The long-range plans shall be prepared pursuant to guidelines established by the ((urban arterial)) transportation improvement board ((and with the assistance of the board and the department)). Upon receipt of the long-range arterial construction plans of the several counties and cities, the ((urban arterial)) transportation improvement board shall revise the construction needs for urban arterials set forth in the plans as necessary to conform with its uniform standards for establishing construction needs of the counties and cities.

Sec. 20. Section 24, chapter 83, Laws of 1967 ex. sess. as last amended by section 8, chapter 122, Laws of 1979 ex. sess. and RCW 47.26.180 are each amended to read as follows:

Arterial designation and classification, as provided for by this chapter, shall be required to be an integral and coordinated portion of its planning process as authorized by chapters 35.63 or 36.70 RCW. The legislative authority of each county and city lying within or having within its boundaries an urban area shall with the advice and assistance of its chief engineer and its planning office divide all of its roads or streets into arterial roads or streets and access roads or streets and shall further subdivide the arterials into three functional classes to be known as principal arterials, minor arterials, and collector arterials: PROVIDED, That incorporated cities lying outside federally approved urban areas shall not be required to subdivide arterials into functional classes. Upon receipt of the classification plans of the several counties and cities, the ((urban arterial)) transportation improvement board shall review and revise the classification for the urban arterials as necessary to conform with (1) existing designated federal route classifications, or (2) uniform classification standards established by the ((urban arterial)) transportation improvement board.

Sec. 21. Section 4, chapter 253, Laws of 1975 1st ex. sess. as amended by section 157, chapter 7, Laws of 1984 and RCW 47.26.185 are each amended to read as follows: Ch. 167

The ((urban arterial)) transportation improvement board may adopt rules establishing qualifications for cities and counties administering and supervising the design and construction of ((urban arterial)) projects financed in part from the urban arterial trust account or the transportation improvement account. The rules establishing qualification shall take into account the resources and population of the city or county, its permanent engineering staff, its design and construction supervision experience, and other factors the board deems appropriate. Any city or county failing to meet the qualifications established by the board for administering and supervising ((an urban arterial)) a project shall contract with a qualified city or county or the department for the administration and supervision of the design and construction of any approved ((urban arterial)) project as a condition for receiving ((urban arterial trust)) account funds for the project.

Sec. 22. Section 25, chapter 83, Laws of 1967 ex. sess. as last amended by section 1, chapter 360, Laws of 1987 and RCW 47.26.190 are each amended to read as follows:

(1) At the beginning of each biennium for the urban arterial trust account, the transportation improvement board shall establish apportionment percentages for the five regions defined in RCW 47.26.050 in the following manner:

(a) One-third in the ratio which the population of the urban areas of each region bears to the total population of all of the urban areas of the state as last determined by the office of financial management;

(b) One-third in the ratio which the vehicle to mile ratio traveled on the classified arterial system prescribed in RCW 47.26.180, within the urban areas of each region bears to the total vehicle to mile ratio traveled on all classified urban arterials; and

(c) One-third in the ratio which the city and county urban arterial needs within the urban areas of each region bears to the total urban arterial needs on city and county urban arterials within all urban areas of the state as last revised by the ((urban arterial)) transportation improvement board.

Except as otherwise provided in subsection (3) of this section, such apportionment percentages shall be used once each calendar quarter by the ((urban arterial)) transportation improvement board to apportion funds credited to the urban arterial trust account which are available for expenditure for urban arterial projects: PROVIDED, That any funds credited to the urban arterial trust account subsequent to July 1, 1987, resulting from bond sales in accordance with RCW 47.26.420 through 47.26.427 shall be apportioned according to the percentages for the five regions established for the biennium when the bonding authority was obligated to projects ((by the urban arterial board)).

(2) All amounts credited to the urban arterial trust account, except those provided for in subsection (3) of this section and any excise tax revenues that may be required to repay the three series of urban arterial bonds or the interest thereon when due, after apportionment to each region, shall be divided on the basis of relative population established at the beginning of each biennium by the office of financial management between (a) the group of cities and that portion of those counties within federally approved urban areas and (b) the group of incorporated cities outside the boundaries of federally approved urban areas: PROVIDED, That funds credited to the urban arterial trust account subsequent to July 1, 1987, resulting from the sale of bonds in accordance with RCW 47.26.420 through 47.26.427 shall be divided on the basis of relative population percentages established for the biennium when the bonding authority was obligated to projects ((by the urban arterial board)). Within each region, funds divided between the groups identified under (a) and (b) of this subsection shall then be allocated by the ((urban arterial)) transportation improvement board to incorporated cities and counties, as the case may be, for the construction of specific urban arterial projects in accordance with the procedures set forth in RCW 47.26.240.

(3) At the beginning of each biennium the ((urban arterial)) transportation improvement board shall establish apportionment percentages for each of the five regions for the apportionment of the proceeds from the sale of fifteen million dollars of series II bonds and sixteen million dollars of series III bonds authorized by RCW 47.26.420, as now or hereafter amended, in the ratio which the population of the incorporated cities and towns lying outside the boundaries of federally approved urban areas of each region bears to the total population of all incorporated cities and towns of the state lying outside the boundaries of federally approved urban areas, as such populations are determined at the beginning of each biennium by the office of financial management. Such apportionment percentages shall be used once each calendar quarter by the ((urban arterial)) transportation improvement board to apportion funds credited to the urban arterial trust account which are available for expenditure for urban arterial projects under this subsection: PROVIDED, That any funds credited to the urban arterial trust account subsequent to July 1, 1987, resulting from the sale of bonds in accordance with RCW 47.26.420 through 47.26.427 shall be apportioned with percentages for the five regions established for the biennium when the bonding authority was obligated to projects ((by the urban arterial-board)). Funds apportioned to each region shall be allocated by the ((urban arterial)) transportation improvement board to incorporated cities lying outside the boundaries of federally approved urban areas, for the construction of specific urban arterial projects in accordance with the procedures set forth in RCW 47.26.240.

Sec. 23. Section 28, chapter 83, Laws of 1967 ex. sess. and RCW 47-.26.220 are each amended to read as follows:

Counties and cities, in preparing their respective six year programs relating to urban arterial improvements to be funded by the urban arterial <u>trust account</u>, shall select specific priority improvement projects for each functional class of arterial based on the rating of each arterial section proposed to be improved in relation to other arterial sections within the same functional class, taking into account the following:

(1) Its structural ability to carry loads imposed upon it;

(2) Its capacity to move traffic at reasonable speeds without undue congestion;

(3) Its adequacy of alignment and related geometrics;

(4) Its accident experience; and

(5) Its fatal accident experience.

The six year construction programs shall remain flexible and subject to annual revision as provided in RCW 36.81.121 and 35.77.010.

Sec. 24. Section 29, chapter 83, Laws of 1967 ex. sess. as amended by section 158, chapter 7, Laws of 1984 and RCW 47.26.230 are each amended to read as follows:

Whenever an urban arterial in a city crosses into an unincorporated urban area or into an adjacent city, the proper city and county officials shall jointly plan the development of the arterial in their respective long-range plans, arterial classification plans, and six-year construction programs. Whenever an urban arterial connects with and will be substantially affected by a programmed construction project on a state highway, the proper county or city officials shall jointly plan the development of the connecting arterial with the appropriate department of transportation district administrator. The ((urban-arterial)) transportation improvement board shall adopt rules providing for the system development of county-city arterials and urban arterials with state highways.

Sec. 25. Section 30, chapter 83, Laws of 1967 ex. sess. as amended by section 15, chapter 317, Laws of 1977 ex. sess. and RCW 47.26.240 are each amended to read as follows:

Upon receipt of a county's or city's revised six year program, the ((urban arterial)) transportation improvement board as soon as practicable shall review and may revise the construction program as it relates to urban arterials for which urban arterial trust account moneys are requested as necessary to conform to (1) the priority rating of the proposed project, based upon the factors in RCW 47.26.220, in relation to proposed projects in all other urban arterial construction programs submitted by the cities and counties, and within each region, projects proposed by the group of cities and counties within federally approved urban areas shall be evaluated separately from the projects proposed by the group of incorporated cities outside the boundaries of federally approved urban areas; and (2) the amount of urban arterial trust account funds which the ((urban arterial)) transportation improvement board estimates will be apportioned to the region, and further divided between the group of cities and counties within federally approved urban areas and the group of incorporated cities outside the boundaries of federally approved urban areas, in the ensuing six year period.

Sec. 26. Section 32, chapter 83, Laws of 1967 ex. sess. as amended by section 1, chapter 126, Laws of 1973 1st ex. sess. and RCW 47.26.260 are each amended to read as follows:

(1) Upon completion of a preliminary proposal, the county $((\sigma r))_1$ city, or transportation benefit district submitting said proposal shall submit to the ((urban arterial)) transportation improvement board its voucher for payment of the <u>urban arterial</u> trust account or transportation improvement account, both hereinafter referred to in this section as account, share of the cost. Upon the completion of an approved ((urban arterial)) construction project, the county ((σr)), city, or transportation benefit district constructing the project shall submit to the ((urban arterial)) transportation improvement board its voucher for the payment of the ((trust)) appropriate account share of the cost. The chairman of the ((urban arterial)) transportation improvement board or his designated agent shall approve such voucher when proper to do so, for payment from the ((urban arterial trust)) appropriate account to the county ((σr)), city, or transportation benefit district submitting the voucher.

(2) The ((urban arterial)) transportation improvement board may adopt regulations providing for the approval of payments of funds in the ((urban arterial trust)) account to a county ((or)), city, or transportation benefit district for costs of preliminary proposal, and costs of construction of an approved project from time to time as work progresses. These payments shall at no time exceed the ((urban arterial trust)) account share of the costs of construction incurred to the date of the voucher covering such payment.

Sec. 27. Section 33, chapter 83, Laws of 1967 ex. sess. as last amended by section 22, chapter 49, Laws of 1983 1st ex. sess. and RCW 47.26.270 are each amended to read as follows:

Counties and cities receiving funds from the urban arterial trust account for construction of arterials shall provide such matching funds as shall be established by regulations ((recommended)) adopted by the ((urban arterial)) transportation improvement board ((subject to review, revision; and final approval by the state transportation commission)). Matching requirements shall be established after appropriate studies by the board taking into account (1) financial resources available to counties and cities to meet arterial needs, (2) the amounts and percentages of funds available for road or street construction traditionally expended by counties and cities on arterials, (3) in the case of counties, the relative needs of arterials lying outside urban areas, and (4) the requirements necessary to avoid diversion of funds traditionally expended for arterial construction to other street or road purposes or to nonhighway purposes: PROVIDED HOWEVER, That for projects funded subsequent to July 1, 1977, cities and counties may use Ch. 167

as matching funds any moneys received from any source, except such moneys which by law may not be used for the purposes set forth in this chapter.

Sec. 28. Section 2, chapter 141, Laws of 1974 ex. sess. and RCW 47-.26.305 are each amended to read as follows:

Each city and county eligible for receipt of urban arterial trust funds is hereby authorized and directed to establish a system of bicycle routes throughout its jurisdiction. Such routes shall, when established in accordance with standards adopted by the ((urban arterial)) transportation improvement board, be eligible for establishment, improvement, and upgrading with urban arterial trust funds when accomplished in connection with an arterial project.

Sec. 29. Section 3, chapter 141, Laws of 1974 ex. sess. as amended by section 160, chapter 7, Laws of 1984 and RCW 47.26.310 are each amended to read as follows:

((Prior to July 1, 1974;)) The ((urban-arterial)) transportation improvement board shall adopt:

(1) Standards for the designation of a bicycle route system which shall include, but need not be limited to, consideration of:

(a) Existing and potential bicycle traffic generating activities, including but not limited to places of employment, schools, colleges, shopping areas, and recreational areas;

(b) Directness of travel and distance between potential bicycle traffic generating activities; and

(c) Safety for bicyclists and avoidance of conflict with vehicular traffic which shall include, wherever feasible, designation of bicycle routes on streets parallel but adjacent to existing designated urban arterial routes.

(2) Insofar as is practicable to achieve reasonable uniformity, design standards for bicycle routes shall take into consideration the construction standards and signing system devised by the department pursuant to RCW 47.30.060.

Sec. 30. Section 10, chapter 315, Laws of 1981 as amended by section 24, chapter 49, Laws of 1983 1st ex. sess. and RCW 47.26.4254 are each amended to read as follows:

(1) Any funds required to repay series III bonds authorized by RCW 47.26.420, or the interest thereon, when due shall first be taken from that portion of the motor vehicle fund that results from the imposition of excise taxes on motor vehicle and special fuels imposed by chapters 82.36, 82.37, and 82.38 RCW and that is distributed to the urban arterial trust account in the motor vehicle fund, subject, however, to the prior lien of the first authorization of bonds authorized by RCW 47.26.420. If the moneys so distributed to the urban arterial trust account, after first being applied to

administrative expenses of the ((urban arterial)) transportation improvement board and to the requirements of bond retirement and payment of interest on first authorization bonds and series II bonds as provided in RCW 47.26.425 and 47.26.4252, are insufficient to meet the requirements for bond retirement or interest on any series III bonds, the amount required to make such payments on series III bonds or interest thereon shall next be taken from that portion of the motor vehicle fund that results from the imposition of excise taxes on motor vehicle and special fuels and that is distributed to the state, counties, cities, and towns pursuant to RCW 46.68.100, subject, however, to subsection (2) of this section.

(2) To the extent that moneys so distributed to the urban arterial trust account are insufficient to meet the requirements for bond retirement or interest on any series III bonds, sixty percent of the amount required to make such payments when due shall first be taken from that portion of the motor vehicle fund that results from the imposition of excise taxes on motor vehicle and special fuels and that is distributed to the state. The remaining forty percent shall first be taken from that portion of the motor vehicle fund that results from the imposition of excise taxes on motor vehicle and special fuels and that is distributed to the cities and towns pursuant to RCW 46.68.100(1) and to the counties pursuant to RCW 46.68.100(2). Of the counties', cities', and towns' share of any additional amounts required in the fiscal year ending June 30, 1984, fifteen percent shall be taken from the counties' distributive share and eighty-five percent from the cities' and towns' distributive share. Of the counties', cities', and towns' share of any additional amounts required in each fiscal year thereafter, the percentage thereof to be taken from the counties' distributive share and from the cities' and towns' distributive share shall correspond to the percentage of funds authorized for specific county projects and for specific city and town projects, respectively, from the proceeds of series III bonds, for the period through the first eleven months of the prior fiscal year as determined by the chairman of the ((urban arterial)) transportation improvement board and reported to the state finance committee and the state treasurer not later than the first working day of June.

(3) Any payments on such bonds or interest thereon taken from motor vehicle or special fuel tax revenues that are distributable to the state, counties, cities, and towns shall be repaid from the first moneys distributed to the urban arterial trust account not required for redemption of the first authorization bonds, series II bonds, or series 111 bonds or interest on these bonds.

Sec. 31. Section 53, chapter 83, Laws of 1967 ex. sess. as amended by section 12, chapter 315, Laws of 1981 and RCW 47.26.430 are each amended to read as follows:

Notwithstanding the provisions of RCW 47.26.190 and 47.26.240, the ((urban arterial)) transportation improvement board may, in any biennium,

subject to proper appropriations, approve expenditures from the urban arterial trust account for construction of projects on urban arterials within a region, the total amount of which including bond proceeds, exceeds the amount apportionable during the biennium to the region. The total amounts apportioned to each region through ((1990)) <u>1995</u> shall meet the apportionment requirements of RCW 47.26.190 and 47.26.240 for such period.

Sec. 32. Section 54, chapter 83, Laws of 1967 ex. sess. as amended by section 163, chapter 7, Laws of 1984 and RCW 47.26.440 are each amended to read as follows:

Not later than November 1st of each even-numbered year the ((urban arterial)) transportation improvement board shall prepare and present to the commission ((a recommended)) an adopted budget for expenditures from the urban arterial trust account and the transportation improvement account during the ensuing biennium. The budget shall contain an estimate of the revenues to be credited to the urban arterial trust account and the transportation improvement account and the amount, if any, of bond proceeds which the board determines should be made available to the urban arterial trust account through the sale of bonds in the ensuing biennium.

The commission shall ((review the budget as recommended, revise the budget as it deems proper, and)) include the budget for the ((urban arterial)) transportation improvement board ((as revised)) as a separate section of the transportation budget which it shall submit to the governor and the legislature at the time of its convening.

Sec. 33. Section 6, chapter 171, Laws of 1969 ex. sess. as last amended by section 2, chapter 360, Laws of 1987 and RCW 47.26.450 are each amended to read as follows:

At the time the ((urban arterial)) transportation improvement board reviews the six-year program of each county and city each even-numbered year, it shall consider and shall approve for inclusion in its recommended budget, as required by RCW 47.26.440, the portion of the urban arterial construction program scheduled to be performed during the biennial period beginning the following July 1st. Subject to the appropriations actually approved by the legislature, the board shall as soon as feasible approve urban arterial trust account funds to be spent during the ensuing biennium for preliminary proposals in priority sequence as established pursuant to RCW 47.26.240. In the case of projects whose total cost exceeds one million dollars as reflected in the six-year program, the agency with jurisdiction shall furnish to the board a value engineering study performed by an interagency team approved by the board, to determine whether the proposed improvement provides a cost-effective solution for the project before the board may approve urban arterial trust funds for either the preliminary or construction phase of the project. The board may authorize a variance from the value engineering study upon a determination that the study is not warranted. The board may also require a value engineering study for a project whose total cost is less than one million dollars upon a determination by the board that the study is warranted.

The board shall authorize urban arterial trust account funds for the construction project portion of a project previously authorized for a preliminary proposal in the sequence in which the preliminary proposal has been completed and the construction project is to be placed under contract. At such time the board may reserve urban arterial trust account funds for expenditure in future years as may be necessary for completion of preliminary proposals and construction projects to be commenced in the ensuing biennium.

The ((urban arterial)) board may, within the constraints of available urban arterial trust funds, consider additional projects for authorization upon a clear and conclusive showing by the submitting local government that the proposed project is of an emergent nature and that its need was unable to be anticipated at the time the six-year program of the local government was developed. Such proposed projects shall be evaluated on the basis of the priority rating factors specified in RCW 47.26.220.

<u>NEW SECTION.</u> Sec. 34. The following acts or parts of acts are each repealed:

(1) Section 2, chapter 5, Laws of 1979 and RCW 47.26.085;

(2) Section 18, chapter 83, Laws of 1967 ex. sess., section 1, chapter 171, Laws of 1969 ex. sess., section 8, chapter 85, Laws of 1971 ex. sess., section 3, chapter 315, Laws of 1981, section 1, chapter 209, Laws of 1982 and RCW 47.26.120;

(3) Section 3, chapter 253, Laws of 1975 1st ex. sess. and RCW 47-.26.183;

(4) Section 4, chapter 267, Laws of 1975 1st ex. sess., section 1, chapter 214, Laws of 1977 ex. sess., section 163, chapter 151, Laws of 1979 and RCW 47.26.281; and

(5) Section 35, chapter 83, Laws of 1967 ex. sess., section 159, chapter 7, Laws of 1984 and RCW 47.26.290.

<u>NEW SECTION.</u> Sec. 35. References in the Revised Code of Washington to the urban arterial board shall be construed to mean the transportation improvement board.

<u>NEW SECTION.</u> Sec. 36. All rules and all pending business before the urban arterial board shall be continued and acted upon by the transportation improvement board. All existing contracts and obligations of the urban arterial board shall remain in full force and shall be performed by the transportation improvement board.

<u>NEW SECTION.</u> Sec. 37. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or

the application of the provision to other persons or circumstances is not affected.

Passed the House February 13, 1988. Passed the Senate March 9, 1988. Approved by the Governor March 21, 1988. Filed in Office of Secretary of State March 21, 1988.

CHAPTER 168

[Engrossed Substitute House Bill No. 1317] COUNTY AND CITY ORDINANCES, HEARINGS, MEETINGS—PUBLICATION

AN ACT Relating to requirements for publishing notice of actions or proposed actions of counties, cities and towns; amending RCW 35.22.288, 35.23.310, 35.23.352, 35.24.220, 35.27.300, 35.30.018, 35A.12.160, and 36.32.120; adding a new section to chapter 35.63 RCW; adding a new section to chapter 35A.63 RCW; adding a new section to chapter 36.70 RCW; and adding a new section to chapter 58.17 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 100, chapter 469, Laws of 1985 and RCW 35.22.288 are each amended to read as follows:

Promptly after adoption, ((every)) the text of each ordinance or a summary of the content of each ordinance shall be published at least once in the official newspaper of the city. For purposes of this section, a summary shall mean a brief description which succinctly describes the main points of the ordinance. When the city publishes a summary, the publication shall include a statement that the full text of the ordinance will be mailed upon request.

An inadvertent mistake or omission in publishing the text or a summary of the content of an ordinance shall not render the ordinance invalid.

In addition to the requirement that a city publish the text or a summary of the content of each adopted ordinance, every city shall establish a procedure for notifying the public of upcoming hearings and the preliminary agenda for the forthcoming council meeting. Such procedure may include, but not be limited to, written notification to the city's official newspaper, publication of a notice in the official newspaper, posting of upcoming council meeting agendas, or such other processes as the city determines will satisfy the intent of this requirement.

Sec. 2. Section 35.23.310, chapter 7, Laws of 1965 and RCW 35.23-.310 are each amended to read as follows:

((Before any ordinance shall take effect, it shall be published in one issue of the official newspaper of the city.))

Promptly after adoption, the text of each ordinance or a summary of the content of each ordinance shall be published at least once in the official newspaper of the city. For purposes of this section, a summary shall mean a