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## FOURTEENTH DAY

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House Chamber, Olympia, Tuesday, June 25, 2013

The House was called to order at 10:00 a.m. by the Speaker (Representative Moeller presiding). The Clerk called the roll and a quorum was present.

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard, Kyle Lynch, Tanya Carter and her service dog Patriot. The Speaker (Representative Moeller presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Representative Drew Hansen, 23rd District.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

There being no objection, the House advanced to the seventh order of business.

### THIRD READING

**ENGROSSED SUBSTITUTE HOUSE BILL NO. 1978, by House Committee on Transportation (originally sponsored by Representatives Zeiger, Clibborn, Orcutt, O'Ban, Hargrove, Liias, Fey, Moscoso and Morrell).**

**Addressing the permitting of certain transportation projects.**

The bill was read the third time.

Representatives Zeiger and Fitzgibbon spoke in favor of the passage of the bill.

### MOTIONS

On motion of Representative Harris, Representatives Crouse, Hope, Johnson, Rodne, Scott and Smith were excused. On motion of Representative Van De Wege, Representatives Farrell, Hurst, Jinkins, Stonier, Takko, Upthegrove and Wylie were excused.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1978.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1978, and the bill passed the House by the following vote: Yeas, 82; Nays, 2; Absent, 0; Excused, 13.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, DeBolt, Dunshee, Fagan, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Reykdal, Riccelli,

Roberts, Ross, Santos, Sawyer, Schmick, Seaquist, Sells, Shea, Short, Springer, Stanford, Sullivan, Tarleton, Taylor, Tharinger, Van De Wege, Vick, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Pollet and Ryu.

Excused: Representatives Crouse, Farrell, Hope, Hurst, Jinkins, Johnson, Rodne, Scott, Smith, Stonier, Takko, Upthegrove and Wylie.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1978, having received the necessary constitutional majority, was declared passed.

**SUBSTITUTE HOUSE BILL NO. 1986, by House Committee on Transportation (originally sponsored by Representatives O'Ban, Rodne, Magendanz, Zeiger, Kristiansen, Klippert and Hayes).**

**Requiring the reporting of highway construction project errors.**

The bill was read the third time.

Representatives Fey, Hargrove and Angel spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1986.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1986, and the bill passed the House by the following vote: Yeas, 82; Nays, 3; Absent, 0; Excused, 12.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, DeBolt, Dunshee, Fagan, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, Moeller, Morrell, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Roberts, Ross, Santos, Sawyer, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Taylor, Tharinger, Van De Wege, Vick, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives McCoy, Ryu and Tarleton.

Excused: Representatives Crouse, Farrell, Hope, Hurst, Jinkins, Johnson, Rodne, Scott, Stonier, Takko, Upthegrove and Wylie.

SUBSTITUTE HOUSE BILL NO. 1986, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 1988, by Representatives Rodne, Magendanz, Zeiger, Kristiansen, Hayes and O'Ban.**

**Concerning the application of right-sizing to transportation projects.**

The bill was read the third time.

Representatives Orcutt and Liias spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of House Bill No. 1988.

**ROLL CALL**

The Clerk called the roll on the final passage of House Bill No. 1988, and the bill passed the House by the following vote: Yeas, 87; Nays, 0; Absent, 0; Excused, 10.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, DeBolt, Dunshee, Fagan, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweller, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Roberts, Ross, Ryu, Santos, Sawyer, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Tarleton, Taylor, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representatives Crouse, Farrell, Hope, Hurst, Jinkins, Johnson, Rodne, Scott, Takko and Wylie.

HOUSE BILL NO. 1988, having received the necessary constitutional majority, was declared passed.

There being no objection, the rules were suspended, and ENGROSSED SUBSTITUTE HOUSE BILL NO. 1957 was returned to second reading for the purpose of amendment.

There being no objection, the House reverted to the sixth order of business.

**SECOND READING**

**SUBSTITUTE HOUSE BILL NO. 1957, by House Committee on Transportation (originally sponsored by Representatives Clibborn, Liias, Moscoso and Fey)**

**Concerning department of transportation project delivery.**

The bill was read the second time.

Representative Clibborn moved the adoption of the striking amendment (545).

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** A new section is added to chapter 47.04 RCW to read as follows:

(1) The legislature intends the department to deliver the projects and activities listed in LEAP Transportation Document 2013-L1, as developed June 23, 2013, as funded by new revenues provided in chapter . . . (Substitute House Bill No. 1954), Laws of 2013 2nd sp.

sess. or chapter . . . (Senate Bill No. 5920), Laws of 2013 2nd sp. sess., and for which appropriations of such funds are provided every two years in the omnibus transportation appropriations act, in a manner that exemplifies the stewardship goal in RCW 47.04.280.

(2) To allow the department the flexibility to deliver the projects in the most expeditious and efficient manner, while at the same time honoring the intent of the legislature under chapter . . . (Substitute House Bill No. 1955), Laws of 2013 2nd sp. sess. or chapter . . . (Senate Bill No. 5921), Laws of 2013 2nd sp. sess., the department's stewardship in delivering the projects and activities under this section is subject to the following limitations:

(a) The department must allocate funding to projects in a manner that optimizes efficient management of project spending and delivery. If the most recent engineer's estimate of a project cost differs from the most recent project budget approved by the legislature by ten percent or two hundred fifty thousand dollars, whichever is greater, the department must seek approval before proceeding as provided in this subsection (2).

(b) The legislative scope of a project may not be changed to a material degree except:

(i) By the legislature; or

(ii) When a more efficient, less expensive, or more expeditious scope would provide an equivalent functional outcome. If such an alternative scope is identified, the department must seek approval before proceeding as provided in this subsection (2).

(c)(i) To the extent possible within budgetary and financial planning constraints, the department must adhere to the capital delivery plan schedule adopted by the legislature and as referenced in the LEAP transportation document identified in subsection (1) of this section.

(ii) If adherence to the original capital delivery plan schedule would result in failure to substantively meet the stewardship, efficiency, and expediency objectives of this section, the department may seek approval of reasonable changes in project scheduling so as to meet the objectives as provided in this subsection (2).

(d) To seek approval of project changes under this subsection (2), the department must submit a request to the office of financial management. At the time the department submits a request to transfer funds under this section, a copy of the request must be submitted to the transportation committees of the legislature. The office of financial management must work with legislative staff of the house of representatives and senate transportation committees to review the requested transfers in a timely manner.

(e) The department must develop by the end of each calendar quarter a report with updates of any changes under (a), (b), or (c) of this subsection. The report must be submitted to the office of financial management and the transportation committees of the legislature.

(3) The legislature intends for the department to utilize a design-build or similar alternative public works contracting procedure whenever appropriate in highway construction, ferry vessel, or ferry terminal construction contracts on projects and activities under this section.

(4) For the delivery of projects and activities under this section, the legislature intends for the department to develop a management approach that minimizes the need to add additional permanent engineering staff and other permanent professional staff in the highway construction and ferry vessel and terminal construction programs. The baseline for staffing levels should be:

(a) For highway construction, the full-time equivalent level for such positions outlined by the secretary in the business plan for the department at the end of fiscal year 2015; and

(b) For the ferry vessel and terminal construction program, the full-time equivalent level for such positions at the end of fiscal year 2012.

(5)(a) In January of each year that precedes the next fiscal biennium, beginning January 1, 2015, the department must submit a report to the governor and to the transportation committees of the legislature on progress made toward the delivery of all projects and activities subject to this section.

(b) The secretary must certify to the governor and the legislature the completion of the project package identified in the LEAP transportation document identified in subsection (1) of this section, or the most recent version approved by the legislature or the office of financial management under subsection (2)(d) of this section, on the date that the delivery of the projects and activities subject to this section is substantively complete.

(6) The changes for which the department may seek approval under subsection (2)(a), (b), or (c) of this section are changes to the cost, scope, or schedule of a project relative to the cost, scope, or schedule of the project in the LEAP transportation document identified in subsection (1) of this section or the most recent version approved by the legislature or the office of financial management under subsection (2)(d) of this section.

(7) This section expires June 30, 2023, or the date the secretary certifies that the delivery of the projects and activities listed in the LEAP transportation document identified in subsection (1) of this section, or the most recent version approved by the legislature or the office of financial management under subsection (2)(d) of this section, is substantively complete, whichever is later.

**NEW SECTION. Sec. 2.** A new section is added to chapter 47.01 RCW to read as follows:

(1) The department must convene three expert review panels of no more than three members to provide independent financial and technical review for the development of a finance plan and project implementation plan for the Columbia river crossing project, the state route number 520 bridge replacement and HOV project, and the Alaskan Way viaduct replacement project.

(2) The expert review panels must be selected cooperatively by the chairs of the senate and house of representatives transportation committees, the secretary of transportation, and the governor.

(3) The expert review panels must, with respect to completion of the project alternatives as described in the draft environmental impact statement of each project:

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

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

(4) The expert review panels must report their findings and recommendations on the items described under subsection (3) of this section to the transportation committees of the legislature by October 2013, and annually thereafter, until the projects are operationally complete.

(5) When convening the expert review panels, the department must be attentive to cost and consider ways to minimize expert review panel expenditures. Anticipated expenditures related to the expert review panels must be included in the panel's findings and recommendation reports.

**Sec. 3.** RCW 47.01.300 and 2012 c 62 s 1 are each amended to read as follows:

The department shall, in cooperation with environmental regulatory authorities:

(1) Identify and document environmental resources in the development of the statewide multimodal plan under RCW 47.06.040;

(2) Allow for public comment regarding changes to the criteria used for prioritizing projects under chapter 47.05 RCW before final adoption of the changes by the commission;

(3) Use an environmental review as part of the project prospectus identifying potential environmental impacts, mitigation, the utilization of the mitigation option available in RCW 90.74.040, and costs during the early project identification and selection phase, submit the prospectus to the relevant environmental regulatory authorities, and maintain a record of comments and proposed revisions received from the authorities;

(4) Actively work with the relevant environmental regulatory authorities during the design alternative analysis process and seek written concurrence from the authorities that they agree with the preferred design alternative selected;

(5) Develop a uniform methodology, in consultation with relevant environmental regulatory authorities, for submitting plans and specifications detailing project elements that impact environmental resources, and proposed mitigation measures including the mitigation option available in RCW 90.74.040, to the relevant environmental regulatory authorities during the preliminary specifications and engineering phase of project development;

(6) Use available technologies to minimize permit delays for, inform and interact with interested parties including relevant environmental regulatory authorities regarding, and optimize the effectiveness of proposed compensatory mitigation projects;

(7)(a) In addition to the mitigation programs specified in RCW 90.74.040(1)(a), the correction of fish passage barriers on city streets and county roads located within the same watershed as the proposed project must be considered for compensatory mitigation. The department shall consult with the department of fish and wildlife, the appropriate local government, and interested tribes to identify the existing fish passage barriers that, upon removal, will result in the greatest habitat benefit.

(b) The department shall submit a report to the transportation committees of the legislature by December 1, 2014, regarding the use and effectiveness of the mitigation option created in this subsection as well as recommendations for improvements;

(8) Screen construction projects to determine which projects will require complex or multiple permits. The permitting authorities shall develop methods for initiating review of the permit applications for the projects before the final design of the projects;

~~((7))~~ (9) Conduct special prebid meetings for those projects that are environmentally complex; and

~~((8))~~ (10) Review environmental considerations related to particular projects during the preconstruction meeting held with the contractor who is awarded the bid.

**NEW SECTION. Sec. 4.** This act takes effect if chapter . . . (Substitute House Bill No. 1954), Laws of 2013 2nd sp. sess. or chapter . . . (Senate Bill No. 5920), Laws of 2013 2nd sp. sess. is enacted by July 31, 2013."

Correct the title.

Representative Dahlquist moved the adoption of amendment (555) to the striking amendment (545).

On page 3, after line 31 of the striking amendment, insert the following:

"NEW SECTION. Sec. 2. A new section is added to chapter 47.56 RCW to read as follows:

After the effective date of this act, the department may not expend any resources to design, construct, or deliver high occupancy toll lanes or express toll lanes projects, including projects for which the department has received legislative authorization but has not yet begun collecting tolls on such lanes."

Re-number the remaining subsections consecutively and correct any internal references accordingly.

Representatives Dahlquist, Orcutt, Magendanz, DeBolt, Wilcox and Shea spoke in favor of the adoption of the amendment to the striking amendment.

Representatives Clibborn, Upthegrove and Liias spoke against the adoption of the amendment to the striking amendment.

Amendment (555) to the striking amendment (545) was not adopted.

Amendment (545) was adopted.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Clibborn and Orcutt spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1957.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1957, and the bill passed the House by the following vote: Yeas, 83; Nays, 5; Absent, 0; Excused, 9.

Voting yea: Representatives Alexander, Angel, Appleton, Bergquist, Blake, Buys, Carlyle, Clibborn, Cody, Dahlquist, DeBolt, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hudgins, Hunt, Hunter, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Liias, Lytton, MacEwen, Magendanz, Manweiler, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Parker, Pedersen, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Roberts, Ross, Ryu, Santos, Sawyer, Schmick, Seaquist, Sells, Short, Smith, Springer, Stanford, Stonier, Sullivan, Tarleton, Tharinger, Upthegrove, Van De Wege, Vick, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Chandler, Condotta, Overstreet, Shea and Taylor.

Excused: Representatives Crouse, Hope, Hurst, Jinkins, Johnson, Rodne, Scott, Takko and Wylie.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1957, having received the necessary constitutional majority, was declared passed.

### MESSAGES FROM THE SENATE

June 25, 2013

MR. SPEAKER: The President has signed ENGROSSED SUBSTITUTE SENATE BILL NO. 5897 and the same is herewith transmitted.

Hunter G. Goodman, Secretary

June 25, 2013

MR. SPEAKER:

The President has signed:

SUBSTITUTE HOUSE BILL NO. 1961  
HOUSE BILL NO. 2042

and the same are herewith transmitted.

Hunter G. Goodman, Secretary

### SECOND READING

**HOUSE BILL NO. 1954, by Representatives Clibborn, Moscoso, Fey, Ryu, Riccelli, Farrell, Liias, Pollet, Ormsby, Tarleton, Roberts, Wylie, Morris, Bergquist and Moeller**

**Concerning transportation revenue.**

The bill was read the second time.

There being no objection, Substitute House Bill No. 1954 was substituted for House Bill No. 1954 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1954 was read the second time.

Representative Clibborn moved the adoption of the striking amendment (531).

Strike everything after the enacting clause and insert the following:

### "MOTOR VEHICLE AND SPECIAL FUEL TAXES

**Sec. 101.** RCW 82.36.025 and 2007 c 515 s 3 are each amended to read as follows:

(1) A motor vehicle fuel tax rate of twenty-three cents per gallon on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors.

(2) Beginning July 1, 2003, an additional and cumulative motor vehicle fuel tax rate of five cents per gallon on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors. This subsection (2) expires when the bonds issued for transportation 2003 projects are retired.

(3) Beginning July 1, 2005, an additional and cumulative motor vehicle fuel tax rate of three cents per gallon on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors.

(4) Beginning July 1, 2006, an additional and cumulative motor vehicle fuel tax rate of three cents per gallon on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors.

(5) Beginning July 1, 2007, an additional and cumulative motor vehicle fuel tax rate of two cents per gallon on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors.

(6) Beginning July 1, 2008, an additional and cumulative motor vehicle fuel tax rate of one and one-half cents per gallon on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors.

(7) Beginning August 1, 2013, an additional and cumulative motor vehicle fuel tax rate of six cents per gallon on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors.

(8) Beginning July 1, 2014, an additional and cumulative motor vehicle fuel tax rate of four and one-half cents per gallon on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors.

**Sec. 102.** RCW 82.38.030 and 2007 c 515 s 21 are each amended to read as follows:

(1) Before July 1, 2015:

(a) There is hereby levied and imposed upon special fuel licensees, other than special fuel distributors, a tax at the rate of twenty-three cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature.

((2)) (b) Beginning July 1, 2003, an additional and cumulative tax rate of five cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature shall be imposed on special fuel licensees, other than special fuel distributors. This subsection ((2)) (1)(b) expires when the bonds issued for transportation 2003 projects are retired.

((3)) (c) Beginning July 1, 2005, an additional and cumulative tax rate of three cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature shall be imposed on special fuel licensees, other than special fuel distributors.

((4)) (d) Beginning July 1, 2006, an additional and cumulative tax rate of three cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature shall be imposed on special fuel licensees, other than special fuel distributors.

((5)) (e) Beginning July 1, 2007, an additional and cumulative tax rate of two cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature shall be imposed on special fuel licensees, other than special fuel distributors.

((6)) (f) Beginning July 1, 2008, an additional and cumulative tax rate of one and one-half cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature shall be imposed on special fuel licensees, other than special fuel distributors.

((7)) (g) Beginning August 1, 2013, an additional and cumulative tax rate of six cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature shall be imposed on special fuel licensees, other than special fuel distributors.

(h) Beginning July 1, 2014, an additional and cumulative tax rate of four and one-half cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature shall be imposed on special fuel licensees, other than special fuel distributors.

(i) Taxes are imposed when:

((+)) (i) Special fuel is removed in this state from a terminal if the special fuel is removed at the rack unless the removal is to a licensed exporter for direct delivery to a destination outside of the state, or the removal is by a special fuel supplier for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320;

((+)) (ii) Special fuel is removed in this state from a refinery if either of the following applies:

((+)) (A) The removal is by bulk transfer and the refiner or the owner of the special fuel immediately before the removal is not a licensee; or

((+)) (B) The removal is at the refinery rack unless the removal is to a licensed exporter for direct delivery to a destination outside of the state, or the removal is to a special fuel supplier for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320;

((+)) (iii) Special fuel enters into this state for sale, consumption, use, or storage, unless the fuel enters this state for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320, if either of the following applies:

((+)) (A) The entry is by bulk transfer and the importer is not a licensee; or

((+)) (B) The entry is not by bulk transfer;

((+)) (iv) Special fuel is sold or removed in this state to an unlicensed entity unless there was a prior taxable removal, entry, or sale of the special fuel;

((+)) (v) Blended special fuel is removed or sold in this state by the blender of the fuel. The number of gallons of blended special fuel subject to tax is the difference between the total number of gallons of blended special fuel removed or sold and the number of gallons of previously taxed special fuel used to produce the blended special fuel;

((+)) (vi) Dyed special fuel is used on a highway, as authorized by the internal revenue code, unless the use is exempt from the special fuel tax;

((+)) (vii) Dyed special fuel is held for sale, sold, used, or is intended to be used in violation of this chapter;

((+)) (viii) Special fuel purchased by an international fuel tax agreement licensee under RCW 82.38.320 is used on a highway; and

((+)) (ix) Special fuel is sold by a licensed special fuel supplier to a special fuel distributor, special fuel importer, or special fuel blender and the special fuel is not removed from the bulk transfer-terminal system.

(2) Beginning July 1, 2015:

(a) There is levied and imposed upon fuel licensees a tax at the rate of twenty-three cents per gallon of fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature.

(b) Beginning July 1, 2003, an additional and cumulative tax rate of five cents per gallon of fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature is imposed on fuel licensees. This subsection (2)(b) expires when the bonds issued for transportation 2003 projects are retired.

(c) Beginning July 1, 2005, an additional and cumulative tax rate of three cents per gallon of fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature is imposed on fuel licensees.

(d) Beginning July 1, 2006, an additional and cumulative tax rate of three cents per gallon of fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature is imposed on fuel licensees.

(e) Beginning July 1, 2007, an additional and cumulative tax rate of two cents per gallon of fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature is imposed on fuel licensees.

(f) Beginning July 1, 2008, an additional and cumulative tax rate of one and one-half cents per gallon of fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature is imposed on fuel licensees.

(g) Beginning August 1, 2013, an additional and cumulative tax rate of six cents per gallon of fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature is imposed on fuel licensees.

(h) Beginning July 1, 2014, an additional and cumulative tax rate of four and one-half cents per gallon of fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature is imposed on fuel licensees.

(i) Taxes are imposed when:

(i) Fuel is removed in this state from a terminal if the fuel is removed at the rack unless the removal is by a licensed supplier or distributor for direct delivery to a destination outside of the state, or the removal is by a fuel supplier for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320;

(ii) Fuel is removed in this state from a refinery if either of the following applies:

(A) The removal is by bulk transfer and the refiner or the owner of the fuel immediately before the removal is not a licensed supplier; or

(B) The removal is at the refinery rack unless the removal is to a

licensed supplier or distributor for direct delivery to a destination outside of the state, or the removal is to a licensed supplier for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320;

(iii) Fuel enters into this state for sale, consumption, use, or storage, unless the fuel enters this state for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320, if either of the following applies:

(A) The entry is by bulk transfer and the importer is not a licensed supplier; or

(B) The entry is not by bulk transfer;

(iv) Fuel enters this state by means outside the bulk transfer-terminal system and is delivered directly to a licensed terminal unless the owner is a licensed distributor or supplier;

(v) Fuel is sold or removed in this state to an unlicensed entity unless there was a prior taxable removal, entry, or sale of the fuel;

(vi) Blended fuel is removed or sold in this state by the blender of the fuel. The number of gallons of blended fuel subject to tax is the difference between the total number of gallons of blended fuel removed or sold and the number of gallons of previously taxed fuel used to produce the blended fuel;

(vii) Dyed special fuel is used on a highway, as authorized by the internal revenue code, unless the use is exempt from the fuel tax;

(viii) Dyed special fuel is held for sale, sold, used, or is intended to be used in violation of this chapter;

(ix) Special fuel purchased by an international fuel tax agreement licensee under RCW 82.38.320 is used on a highway; and

(x) Fuel is sold by a licensed fuel supplier to a fuel distributor or fuel blender and the fuel is not removed from the bulk transfer-terminal system.

NEW SECTION. Sec. 103. 2013 c 225 s 103 (uncodified) is repealed.

**Sec. 104.** RCW 46.68.090 and 2011 c 120 s 4 are each amended to read as follows:

(1) All moneys that have accrued or may accrue to the motor vehicle fund from the motor vehicle fuel tax and special fuel tax shall be first expended for purposes enumerated in (a) and (b) of this subsection. The remaining net tax amount shall be distributed monthly by the state treasurer in accordance with subsections (2) through ~~((7))~~ (8) of this section.

(a) For payment of refunds of motor vehicle fuel tax and special fuel tax that has been paid and is refundable as provided by law;

(b) For payment of amounts to be expended pursuant to appropriations for the administrative expenses of the offices of state treasurer, state auditor, and the department of licensing of the state of Washington in the administration of the motor vehicle fuel tax and the special fuel tax, which sums shall be distributed monthly.

(2) All of the remaining net tax amount collected under RCW 82.36.025(1) and 82.38.030(1)(a) shall be distributed as set forth in (a) through (j) of this subsection.

(a) For distribution to the motor vehicle fund an amount equal to 44.387 percent to be expended for highway purposes of the state as defined in RCW 46.68.130;

(b) For distribution to the special category C account, hereby created in the motor vehicle fund, an amount equal to 3.2609 percent to be expended for special category C projects. Special category C projects are category C projects that, due to high cost only, will require bond financing to complete construction.

The following criteria, listed in order of priority, shall be used in determining which special category C projects have the highest priority:

(i) Accident experience;

(ii) Fatal accident experience;

(iii) Capacity to move people and goods safely and at reasonable speeds without undue congestion; and

(iv) Continuity of development of the highway transportation network.

Moneys deposited in the special category C account in the motor vehicle fund may be used for payment of debt service on bonds the proceeds of which are used to finance special category C projects under this subsection (2)(b);

(c) For distribution to the Puget Sound ferry operations account in the motor vehicle fund an amount equal to 2.3283 percent;

(d) For distribution to the Puget Sound capital construction account in the motor vehicle fund an amount equal to 2.3726 percent;

(e) For distribution to the transportation improvement account in the motor vehicle fund an amount equal to 7.5597 percent;

(f) For distribution to the transportation improvement account in the motor vehicle fund an amount equal to 5.6739 percent and expended in accordance with RCW 47.26.086;

(g) For distribution to the cities and towns from the motor vehicle fund an amount equal to 10.6961 percent in accordance with RCW 46.68.110;

(h) For distribution to the counties from the motor vehicle fund an amount equal to 19.2287 percent: (i) Out of which there shall be distributed from time to time, as directed by the department of transportation, those sums as may be necessary to carry out the provisions of RCW 47.56.725; and (ii) less any amounts appropriated to the county road administration board to implement the provisions of RCW 47.56.725(4), with the balance of such county share to be distributed monthly as the same accrues for distribution in accordance with RCW 46.68.120;

(i) For distribution to the county arterial preservation account, hereby created in the motor vehicle fund an amount equal to 1.9565 percent. These funds shall be distributed by the county road administration board to counties in proportions corresponding to the number of paved arterial lane miles in the unincorporated area of each county and shall be used for improvements to sustain the structural, safety, and operational integrity of county arterials. The county road administration board shall adopt reasonable rules and develop policies to implement this program and to assure that a pavement management system is used;

(j) For distribution to the rural arterial trust account in the motor vehicle fund an amount equal to 2.5363 percent and expended in accordance with RCW 36.79.020.

(3) The remaining net tax amount collected under RCW 82.36.025(2) and 82.38.030~~((2))~~ (1)(b) shall be distributed to the transportation 2003 account (nickel account).

(4) The remaining net tax amount collected under RCW 82.36.025(3) and 82.38.030~~((3))~~ (1)(c) shall be distributed as follows:

(a) 8.3333 percent shall be distributed to the incorporated cities and towns of the state in accordance with RCW 46.68.110;

(b) 8.3333 percent shall be distributed to counties of the state in accordance with RCW 46.68.120; and

(c) The remainder shall be distributed to the transportation partnership account created in RCW 46.68.290.

(5) The remaining net tax amount collected under RCW 82.36.025(4) and 82.38.030~~((4))~~ (1)(d) shall be distributed as follows:

(a) 8.3333 percent shall be distributed to the incorporated cities and towns of the state in accordance with RCW 46.68.110;

(b) 8.3333 percent shall be distributed to counties of the state in accordance with RCW 46.68.120; and

(c) The remainder shall be distributed to the transportation partnership account created in RCW 46.68.290.

(6) The remaining net tax amount collected under RCW 82.36.025 (5) and (6) and 82.38.030 ~~((5))~~ (1)(e) and ~~((6))~~ (f) shall be distributed to the transportation partnership account created in RCW 46.68.290.

(7) The remaining net tax amount collected under RCW 82.36.025 (7) and (8) and 82.38.030(1) (g) and (h) shall be distributed as follows:

(a) 5 percent shall be distributed to counties under RCW 46.68.122;

(b) 5 percent shall be distributed to cities under RCW 46.68.110;

(c) 5 percent shall be distributed to the Puget Sound ferry operations account created in RCW 47.60.530;

(d) 7.5 percent shall be distributed to the Puget Sound capital construction account created in RCW 47.60.505; and

(e) The remainder shall be distributed to the connecting Washington account created in section 106 of this act.

(8) Nothing in this section or in RCW 46.68.130 may be construed so as to violate any terms or conditions contained in any highway construction bond issues now or hereafter authorized by statute and whose payment is by such statute pledged to be paid from any excise taxes on motor vehicle fuel and special fuels.

**Sec. 105.** RCW 46.68.090 and 2013 c 225 s 645 are each amended to read as follows:

(1) All moneys that have accrued or may accrue to the motor vehicle fund from the motor vehicle fuel tax and special fuel tax must be first expended for purposes enumerated in (a) and (b) of this subsection. The remaining net tax amount must be distributed monthly by the state treasurer in accordance with subsections (2) through ~~((7))~~ (8) of this section.

(a) For payment of refunds of motor vehicle fuel tax and special fuel tax that has been paid and is refundable as provided by law;

(b) For payment of amounts to be expended pursuant to appropriations for the administrative expenses of the offices of state treasurer, state auditor, and the department of licensing of the state of Washington in the administration of the motor vehicle fuel tax and the special fuel tax, which sums must be distributed monthly.

(2) All of the remaining net tax amount collected under RCW 82.38.030~~((+))~~ (2)(a) must be distributed as set forth in (a) through (j) of this subsection.

(a) For distribution to the motor vehicle fund an amount equal to 44.387 percent to be expended for highway purposes of the state as defined in RCW 46.68.130;

(b)(i) For distribution to the special category C account, hereby created in the motor vehicle fund, an amount equal to 3.2609 percent to be expended for special category C projects. Special category C projects are category C projects that, due to high cost only, will require bond financing to complete construction.

(ii) The following criteria, listed in order of priority, must be used in determining which special category C projects have the highest priority:

(A) Accident experience;

(B) Fatal accident experience;

(C) Capacity to move people and goods safely and at reasonable speeds without undue congestion; and

(D) Continuity of development of the highway transportation network.

(iii) Moneys deposited in the special category C account in the motor vehicle fund may be used for payment of debt service on bonds the proceeds of which are used to finance special category C projects under this subsection (2)(b);

(c) For distribution to the Puget Sound ferry operations account in the motor vehicle fund an amount equal to 2.3283 percent;

(d) For distribution to the Puget Sound capital construction account in the motor vehicle fund an amount equal to 2.3726 percent;

(e) For distribution to the transportation improvement account in the motor vehicle fund an amount equal to 7.5597 percent;

(f) For distribution to the transportation improvement account in the motor vehicle fund an amount equal to 5.6739 percent and expended in accordance with RCW 47.26.086;

(g) For distribution to the cities and towns from the motor vehicle fund an amount equal to 10.6961 percent in accordance with RCW 46.68.110;

(h) For distribution to the counties from the motor vehicle fund an amount equal to 19.2287 percent: (i) Out of which there must be distributed from time to time, as directed by the department of transportation, those sums as may be necessary to carry out the provisions of RCW 47.56.725; and (ii) less any amounts appropriated to the county road administration board to implement the provisions of RCW 47.56.725(4), with the balance of such county share to be distributed monthly as the same accrues for distribution in accordance with RCW 46.68.120;

(i) For distribution to the county arterial preservation account, hereby created in the motor vehicle fund an amount equal to 1.9565 percent. These funds must be distributed by the county road administration board to counties in proportions corresponding to the number of paved arterial lane miles in the unincorporated area of each county and must be used for improvements to sustain the structural, safety, and operational integrity of county arterials. The county road administration board must adopt reasonable rules and develop policies to implement this program and to assure that a pavement management system is used;

(j) For distribution to the rural arterial trust account in the motor vehicle fund an amount equal to 2.5363 percent and expended in accordance with RCW 36.79.020.

(3) The remaining net tax amount collected under RCW 82.38.030~~((2))~~ (b) must be distributed to the transportation 2003 account (nickel account).

(4) The remaining net tax amount collected under RCW 82.38.030~~((3))~~ (2)(c) must be distributed as follows:

(a) 8.3333 percent must be distributed to the incorporated cities and towns of the state in accordance with RCW 46.68.110;

(b) 8.3333 percent must be distributed to counties of the state in accordance with RCW 46.68.120; and

(c) The remainder must be distributed to the transportation partnership account created in RCW 46.68.290.

(5) The remaining net tax amount collected under RCW 82.38.030~~((4))~~ (2)(d) must be distributed as follows:

(a) 8.3333 percent must be distributed to the incorporated cities and towns of the state in accordance with RCW 46.68.110;

(b) 8.3333 percent must be distributed to counties of the state in accordance with RCW 46.68.120; and

(c) The remainder must be distributed to the transportation partnership account created in RCW 46.68.290.

(6) The remaining net tax amount collected under RCW 82.38.030 ~~((5))~~ (2)(e) and ~~((6))~~ (f) must be distributed to the transportation partnership account created in RCW 46.68.290.

(7) The remaining net tax amount collected under RCW 82.38.030(2) (g) and (h) must be distributed as follows:

(a) 5 percent must be distributed to counties under RCW 46.68.122;

(b) 5 percent must be distributed to cities under RCW 46.68.110;

(c) 5 percent must be distributed to the Puget Sound ferry operations account created in RCW 47.60.530;

(d) 7.5 percent must be distributed to the Puget Sound capital construction account created in RCW 47.60.505; and

(e) The remainder must be distributed to the connecting Washington account created in section 106 of this act.

(8) Nothing in this section or in RCW 46.68.130 may be construed so as to violate any terms or conditions contained in any highway construction bond issues now or hereafter authorized by statute and whose payment is by such statute pledged to be paid from any excise taxes on motor vehicle fuel and special fuels.

**NEW SECTION. Sec. 106.** A new section is added to chapter 46.68 RCW to read as follows:

The connecting Washington account is created in the motor vehicle fund. All receipts from RCW 46.68.090(7)(e), 46.17.355(7), and section 305 (1) and (2) of this act must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as connecting Washington projects or improvements in a transportation appropriations act, including any principal and interest on bonds authorized for the projects or improvements, and for the maintenance, operations, and preservation of the state highway system, which is defined for purposes of this section as activities undertaken to (1) provide, maintain, and operate serviceable roadways through planned strategies of cost-effective treatments to existing roadways and appurtenances that preserve the highway system, (2) retard future deterioration, (3) preserve or improve safety, and (4) maintain the functional condition of the existing highway system.

**Sec. 107.** RCW 43.84.092 and 2013 c 251 s 3 and 2013 c 96 s 3 are each reenacted and amended to read as follows:

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

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

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

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

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the Alaskan Way viaduct replacement project account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation

principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile home park relocation fund, the motor vehicle fund, the motorcycle safety education account, the multimodal transportation account, the municipal criminal justice assistance account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the

Washington state economic development commission account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, the state university permanent fund, and the state reclamation revolving account shall be allocated to their respective beneficiary accounts.

(b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

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

**Sec. 108.** RCW 43.84.092 and 2013 c 251 s 4 and 2013 c 96 s 4 are each reenacted and amended to read as follows:

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

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

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

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

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the Alaskan Way viaduct replacement project account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water

supply development account, the Columbia river basin water supply revenue recovery account, the Columbia river crossing project account, the common school construction fund, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile home park relocation fund, the motor vehicle fund, the motorcycle safety education account, the multimodal transportation account, the municipal criminal justice assistance account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative

fund, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state economic development commission account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, the state university permanent fund, and the state reclamation revolving account shall be allocated to their respective beneficiary accounts.

(b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

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

**Sec. 109.** RCW 46.09.520 and 2010 1st sp.s. c 37 s 936 and 2010 c 161 s 222 are each reenacted and amended to read as follows:

(1) From time to time, but at least once each year, the state treasurer shall refund from the motor vehicle fund one percent of the motor vehicle fuel tax revenues collected under chapter 82.36 RCW, based on a tax rate of: (a) Nineteen cents per gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007; (c) twenty-one cents per gallon of motor vehicle fuel from July 1, 2007, through June 30, 2009; (d) twenty-two cents per gallon of motor vehicle fuel from July 1, 2009, through June 30, 2011; (~~and~~) (e) twenty-three cents per gallon of motor vehicle fuel beginning July 1, 2011; (f) twenty-nine cents per gallon of motor vehicle fuel beginning August 1, 2013; (g) thirty-three and one-half cents per gallon of motor vehicle fuel beginning July 1, 2014; and (h) forty-eight cents per gallon of motor vehicle fuel beginning July 1, 2029, and thereafter, less proper deductions for refunds and costs of collection as provided in RCW 46.68.090.

(2) The treasurer shall place these funds in the general fund as follows:

(a) Thirty-six percent shall be credited to the ORV and nonhighway vehicle account and administered by the department of natural resources solely for acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities, and information programs and maintenance of nonhighway roads;

(b) Three and one-half percent shall be credited to the ORV and nonhighway vehicle account and administered by the department of fish and wildlife solely for the acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities and the maintenance of nonhighway roads;

(c) Two percent shall be credited to the ORV and nonhighway vehicle account and administered by the parks and recreation commission solely for the acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities; and

(d) Fifty-eight and one-half percent shall be credited to the nonhighway and off-road vehicle activities program account to be

administered by the board for planning, acquisition, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities and for education, information, and law enforcement programs. The funds under this subsection shall be expended in accordance with the following limitations:

(i) Not more than thirty percent may be expended for education, information, and law enforcement programs under this chapter;

(ii) Not less than seventy percent may be expended for ORV, nonmotorized, and nonhighway road recreation facilities. Except as provided in (d)(iii) of this subsection, of this amount:

(A) Not less than thirty percent, together with the funds the board receives under RCW 46.68.045, may be expended for ORV recreation facilities;

(B) Not less than thirty percent may be expended for nonmotorized recreation facilities. Funds expended under this subsection (2)(d)(ii)(B) shall be known as Ira Spring outdoor recreation facilities funds; and

(C) Not less than thirty percent may be expended for nonhighway road recreation facilities;

(iii) The board may waive the minimum percentage cited in (d)(ii) of this subsection due to insufficient requests for funds or projects that score low in the board's project evaluation. Funds remaining after such a waiver must be allocated in accordance with board policy.

(3) On a yearly basis an agency may not, except as provided in RCW 46.68.045, expend more than ten percent of the funds it receives under this chapter for general administration expenses incurred in carrying out this chapter.

(4) During the 2009-2011 fiscal biennium, the legislature may appropriate such amounts as reflect the excess fund balance in the NOVA account to the department of natural resources to install consistent off-road vehicle signage at department-managed recreation sites, and to implement the recreation opportunities on department-managed lands in the Reiter block and Ahtanum state forest, and to the state parks and recreation commission. The legislature finds that the appropriation of funds from the NOVA account during the 2009-2011 fiscal biennium for maintenance and operation of state parks or to improve accessibility for boaters and off-road vehicle users at state parks will benefit boaters and off-road vehicle users and others who use nonhighway and nonmotorized recreational facilities. The appropriations under this subsection are not required to follow the specific distribution specified in subsection (2) of this section.

**Sec. 110.** RCW 46.10.530 and 2003 c 361 s 408 are each amended to read as follows:

From time to time, but at least once each four years, the department shall determine the amount of moneys paid to it as motor vehicle fuel tax that is tax on snowmobile fuel. Such determination shall use one hundred thirty-five gallons as the average yearly fuel usage per snowmobile, the number of registered snowmobiles during the calendar year under determination, and a fuel tax rate of: (1) Nineteen cents per gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005; (2) twenty cents per gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007; (3) twenty-one cents per gallon of motor vehicle fuel from July 1, 2007, through June 30, 2009; (4) twenty-two cents per gallon of motor vehicle fuel from July 1, 2009, through June 30, 2011; (~~and~~) (5) twenty-three cents per gallon of motor vehicle fuel beginning July 1, 2011; (6) twenty-nine cents per gallon of motor vehicle fuel beginning August 1, 2013; (7) thirty-three and one-half cents per gallon of motor vehicle fuel beginning July 1, 2014; and (8) forty-eight cents per gallon of motor vehicle fuel beginning July 1, 2029, and thereafter.

**Sec. 111.** RCW 79A.25.070 and 2010 c 23 s 3 are each amended to read as follows:

Upon expiration of the time limited by RCW 82.36.330 for claiming of refunds of tax on marine fuel, the state of Washington shall succeed to the right to such refunds. The director of licensing,

after taking into account past and anticipated claims for refunds from and deposits to the marine fuel tax refund account, shall request the state treasurer to transfer monthly from the marine fuel tax refund account an amount equal to the proportion of the moneys in the account representing a motor vehicle fuel tax rate of: (1) Nineteen cents per gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005; (2) twenty cents per gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007; (3) twenty-one cents per gallon of motor vehicle fuel from July 1, 2007, through June 30, 2009; (4) twenty-two cents per gallon of motor vehicle fuel from July 1, 2009, through June 30, 2011; ~~((and))~~ (5) twenty-three cents per gallon of motor vehicle fuel beginning July 1, 2011; (6) twenty-nine cents per gallon of motor vehicle fuel beginning August 1, 2013; (7) thirty-three and one-half cents per gallon of motor vehicle fuel beginning July 1, 2014; and (8) forty-eight cents per gallon of motor vehicle fuel beginning July 1, 2029, and thereafter, to the recreation resource account and the remainder to the motor vehicle fund.

**NEW SECTION. Sec. 112.** The following acts or parts of acts are each repealed:

- (1) RCW 82.36.029 (Deductions--Handling losses--Reports) and 1998 c 176 s 10; and
- (2) RCW 82.38. . . . and 2013 c 225 s 205.

### DISTRIBUTION OF EXISTING FEES

**Sec. 201.** RCW 46.17.100 and 2012 c 74 s 1 are each amended to read as follows:

Before accepting an application for a certificate of title as required in this title, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay a fifteen dollar application fee in addition to any other fees and taxes required by law.

~~((1) Five dollars of))~~ The certificate of title application fee must be distributed under RCW 46.68.020.

~~((2) Ten dollars of the certificate of title application fee must be credited to the transportation 2003 account (nickel account) created in RCW 46.68.280.))~~

**Sec. 202.** RCW 46.20.293 and 2012 c 74 s 4 are each amended to read as follows:

The department is authorized to provide juvenile courts with the department's record of traffic charges compiled under RCW 46.52.101 and 13.50.200, against any minor upon the request of any state juvenile court or duly authorized officer of any juvenile court of this state. Further, the department is authorized to provide any juvenile court with any requested service which the department can reasonably perform which is not inconsistent with its legal authority which substantially aids juvenile courts in handling traffic cases and which promotes highway safety.

The department is authorized to furnish to the parent, parents, or guardian of any person under eighteen years of age who is not emancipated from such parent, parents, or guardian, the department records of traffic charges compiled against the person and shall collect for the copy a fee of thirteen dollars, ~~((fifty))~~ thirty-eight and one-half percent of which must be deposited in the highway safety fund and ~~((fifty))~~ sixty-one and one-half percent of which must be deposited according to RCW 46.68.038.

**Sec. 203.** RCW 46.29.050 and 2012 c 74 s 5 are each amended to read as follows:

(1) The department shall upon request furnish any person or his or her attorney a certified abstract of his or her driving record, which abstract shall include enumeration of any motor vehicle accidents in which such person has been involved. Such abstract shall (a) indicate the total number of vehicles involved, whether the vehicles were

legally parked or moving, and whether the vehicles were occupied at the time of the accident; and (b) contain reference to any convictions of the person for violation of the motor vehicle laws as reported to the department, reference to any findings that the person has committed a traffic infraction which have been reported to the department, and a record of any vehicles registered in the name of the person. The department shall collect for each abstract the sum of thirteen dollars, ~~((fifty))~~ thirty-eight and one-half percent of which shall be deposited in the highway safety fund and ~~((fifty))~~ sixty-one and one-half percent of which must be deposited according to RCW 46.68.038.

(2) The department shall upon request furnish any person who may have been injured in person or property by any motor vehicle, with an abstract of all information of record in the department pertaining to the evidence of the ability of any driver or owner of any motor vehicle to respond in damages. The department shall collect for each abstract the sum of thirteen dollars, ~~((fifty))~~ thirty-eight and one-half percent of which shall be deposited in the highway safety fund and ~~((fifty))~~ sixty-one and one-half percent of which must be deposited according to RCW 46.68.038.

**Sec. 204.** RCW 46.52.130 and 2012 c 74 s 6 and 2012 c 73 s 1 are each reenacted and amended to read as follows:

Upon a proper request, the department may furnish an abstract of a person's driving record as permitted under this section.

(1) **Contents of abstract of driving record.** An abstract of a person's driving record, whenever possible, must include:

(a) An enumeration of motor vehicle accidents in which the person was driving, including:

- (i) The total number of vehicles involved;
- (ii) Whether the vehicles were legally parked or moving;
- (iii) Whether the vehicles were occupied at the time of the accident; and

(iv) Whether the accident resulted in a fatality;

(b) Any reported convictions, forfeitures of bail, or findings that an infraction was committed based upon a violation of any motor vehicle law;

(c) The status of the person's driving privilege in this state; and

(d) Any reports of failure to appear in response to a traffic citation or failure to respond to a notice of infraction served upon the named individual by an arresting officer.

(2) **Release of abstract of driving record.** An abstract of a person's driving record may be furnished to the following persons or entities:

(a) **Named individuals.** (i) An abstract of the full driving record maintained by the department may be furnished to the individual named in the abstract.

(ii) Nothing in this section prevents a court from providing a copy of the driver's abstract to the individual named in the abstract, provided that the named individual has a pending or open infraction or criminal case in that court. A pending case includes criminal cases that have not reached a disposition by plea, stipulation, trial, or amended charge. An open infraction or criminal case includes cases on probation, payment agreement or subject to, or in collections. Courts may charge a reasonable fee for the production and copying of the abstract for the individual.

(b) **Employers or prospective employers.** (i)(A) An abstract of the full driving record maintained by the department may be furnished to an employer or prospective employer or an agent acting on behalf of an employer or prospective employer of the named individual for purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer.

(B) Release of an abstract of the driving record of an employee or prospective employee requires a statement signed by: (I) The employee or prospective employee that authorizes the release of the record; and (II) the employer attesting that the information is necessary for employment purposes related to driving by the

individual as a condition of employment or otherwise at the direction of the employer. If the employer or prospective employer authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

(C) Upon request of the person named in the abstract provided under this subsection, and upon that same person furnishing copies of court records ruling that the person was not at fault in a motor vehicle accident, the department must indicate on any abstract provided under this subsection that the person was not at fault in the motor vehicle accident.

(ii) In addition to the methods described in (b)(i) of this subsection, the director may enter into a contractual agreement with an employer or its agent for the purpose of reviewing the driving records of existing employees for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that will not result in a net revenue loss to the state. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.

(c) **Volunteer organizations.** (i) An abstract of the full driving record maintained by the department may be furnished to a volunteer organization or an agent for a volunteer organization for which the named individual has submitted an application for a position that would require driving by the individual at the direction of the volunteer organization.

(ii) Release of an abstract of the driving record of a prospective volunteer requires a statement signed by: (A) The prospective volunteer that authorizes the release of the record; and (B) the volunteer organization attesting that the information is necessary for purposes related to driving by the individual at the direction of the volunteer organization. If the volunteer organization authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

(d) **Transit authorities.** An abstract of the full driving record maintained by the department may be furnished to an employee or agent of a transit authority checking prospective volunteer vanpool drivers for insurance and risk management needs.

(e) **Insurance carriers.** (i) An abstract of the driving record maintained by the department covering the period of not more than the last three years may be furnished to an insurance company or its agent:

(A) That has motor vehicle or life insurance in effect covering the named individual;

(B) To which the named individual has applied; or

(C) That has insurance in effect covering the employer or a prospective employer of the named individual.

(ii) The abstract provided to the insurance company must:

(A) Not contain any information related to actions committed by law enforcement officers or firefighters, as both terms are defined in RCW 41.26.030, or by Washington state patrol officers, while driving official vehicles in the performance of their occupational duty. This does not apply to any situation where the vehicle was used in the commission of a misdemeanor or felony;

(B) Include convictions under RCW 46.61.5249 and 46.61.525, except that the abstract must report the convictions only as negligent driving without reference to whether they are for first or second degree negligent driving; and

(C) Exclude any deferred prosecution under RCW 10.05.060, except that if a person is removed from a deferred prosecution under RCW 10.05.090, the abstract must show the deferred prosecution as well as the removal.

(iii) Any policy of insurance may not be canceled, nonrenewed, denied, or have the rate increased on the basis of information regarding an accident included in the abstract of a driving record, unless the policyholder was determined to be at fault.

(iv) Any insurance company or its agent, for underwriting purposes relating to the operation of commercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of motor vehicles while not engaged in such employment. Any insurance company or its agent, for underwriting purposes relating to the operation of noncommercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of commercial motor vehicles.

(v) The director may enter into a contractual agreement with an insurance company or its agent for the limited purpose of reviewing the driving records of existing policyholders for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that will not result in a net revenue loss to the state. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.

(f) **Alcohol/drug assessment or treatment agencies.** An abstract of the driving record maintained by the department covering the period of not more than the last five years may be furnished to an alcohol/drug assessment or treatment agency approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment, for purposes of assisting employees in making a determination as to what level of treatment, if any, is appropriate, except that the abstract must:

(i) Also include records of alcohol-related offenses, as defined in RCW 46.01.260(2), covering a period of not more than the last ten years; and

(ii) Indicate whether an alcohol-related offense was originally charged as a violation of either RCW 46.61.502 or 46.61.504.

(g) **City attorneys and county prosecuting attorneys.** An abstract of the full driving record maintained by the department, including whether a recorded violation is an alcohol-related offense, as defined in RCW 46.01.260(2), that was originally charged as a violation of either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys or county prosecuting attorneys. City attorneys and county prosecuting attorneys may provide the driving record to alcohol/drug assessment or treatment agencies approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment.

(h) **State colleges, universities, or agencies, or units of local government.** An abstract of the full driving record maintained by the department may be furnished to (i) state colleges, universities, or agencies for employment and risk management purposes or (ii) units of local government authorized to self-insure under RCW 48.62.031 for employment and risk management purposes.

(i) **Superintendent of public instruction.** An abstract of the full driving record maintained by the department may be furnished to the superintendent of public instruction for review of public school bus driver records. The superintendent or superintendent's designee may discuss information on the driving record with an authorized representative of the employing school district for employment and risk management purposes.

(3) **Release to third parties prohibited.** Any person or entity receiving an abstract of a person's driving record under subsection (2)(b) through (i) of this section shall use the abstract exclusively for his, her, or its own purposes or as otherwise expressly permitted under this section, and shall not divulge any information contained in the abstract to a third party.

(4) **Fee.** The director shall collect a thirteen dollar fee for each abstract of a person's driving record furnished by the department. (~~Fifty~~) Thirty-eight and one-half percent of the fee must be deposited in the highway safety fund, and (~~fifty~~) sixty-one and one-half percent of the fee must be deposited according to RCW 46.68.038.

(5) **Violation.** (a) Any negligent violation of this section is a gross misdemeanor.

(b) Any intentional violation of this section is a class C felony.

**Sec. 205.** RCW 46.68.041 and 2004 c 95 s 15 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, the department ~~((shall))~~ must forward all funds accruing under ~~((the provisions of))~~ chapter 46.20 RCW together with a proper identifying, detailed report to the state treasurer who ~~((shall))~~ must deposit such moneys to the credit of the highway safety fund.

(2)(a) Sixty-three percent of each fee collected by the department under RCW 46.20.311 (1)(e)(ii), (2)(b)(ii), and (3)(b) ~~((shall))~~ must be deposited in the impaired driving safety account.

(b)(i) Twenty-four dollars of each driver's license issuance fee paid under RCW 46.20.161 must be deposited in the Puget Sound ferry operations account.

(ii) If the driver's license issuance fee paid under RCW 46.20.161 is for a driver's license with a term of less than six years, the amount to be deposited in the Puget Sound ferry operations account is four dollars multiplied by the number of years in the term of the driver's license.

(c)(i)(A) Six dollars of each driver's license renewal fee paid under RCW 46.20.181(2) is for the sole use of the department of transportation for local programs.

(B)(I) Twenty-five percent of moneys received under this subsection (2)(c)(i) must be deposited in the freight mobility investment account for the freight mobility strategic investment board to meet urgent freight corridor improvement and preservation needs.

(II) Seventy-five percent of moneys received under this subsection (2)(c)(i) must be deposited in the pedestrian, bicycle, and safe routes to school account created in section 210 of this act for safe routes to school program projects.

(ii) Twelve dollars of each driver's license renewal fee paid under RCW 46.20.181(2) must be deposited in the Puget Sound ferry operations account.

(iii) Six dollars of each driver's license renewal fee paid under RCW 46.20.181(2) must be deposited in the county arterial preservation account for the county road administration board for the county arterial preservation program.

(d) Thirty dollars of each identicard fee paid under RCW 46.20.117 must be deposited in the transportation improvement account for the transportation improvement board.

(e)(i) Two dollars and fifty cents of each driver's instruction permit fee paid under RCW 46.20.055 must be deposited in the state patrol highway account.

(ii) Two dollars and fifty cents of each driver's instruction permit fee paid under RCW 46.20.055 must be deposited in the small city pavement and sidewalk account for the transportation improvement board small city pavement and sidewalk program.

(f) Fifteen dollars of each driver's licensing examination fee paid under RCW 46.20.120(2) must be deposited in the state patrol highway account.

(g) Five dollars of each duplicate or replacement fee paid under RCW 46.20.200 must be deposited in the state patrol highway account.

(h) One hundred seventy-five dollars of each hearing request fee paid under RCW 46.20.308 must be deposited in the state patrol highway account.

**Sec. 206.** RCW 46.68.020 and 2011 c 171 s 84 are each amended to read as follows:

The director shall forward all fees for certificates of title or other moneys accruing under chapters 46.12 and 46.17 RCW to the state treasurer, together with a proper identifying detailed report. The state treasurer shall credit these moneys as follows:

FEE	REQUIRE D IN	ESTABLISHE D IN	DISTRIBUTIO N
ORV certificate of title fee	RCW 46.09.320	RCW 46.17.100	RCW 47.66.070
Original certificate of title	RCW 46.12.530	RCW 46.17.100	RCW 47.66.070
Penalty for late transfer	RCW 46.12.650	RCW 46.17.140	RCW 47.66.070
Motor change	RCW 46.12.590	RCW 46.17.100	RCW <del>((46.68.280))</del> 47.66.070
Transfer certificate of title	RCW 46.12.650	RCW 46.17.100	RCW <del>((46.68.280))</del> 47.66.070
Security interest changes	RCW 46.12.675	RCW 46.17.100	RCW <del>((46.68.280))</del> 47.66.070
Duplicate certificate of title	RCW 46.12.580	RCW 46.17.100	RCW <del>((46.68.280))</del> 47.66.070
Stolen vehicle check	RCW 46.12.570	RCW 46.17.120	RCW 46.68.070
Vehicle identification number assignment	RCW 46.12.560	RCW 46.17.135	RCW 46.68.070

**Sec. 207.** RCW 46.68.280 and 2003 c 361 s 601 are each amended to read as follows:

(1) The transportation 2003 account (nickel account) is hereby created in the motor vehicle fund. Money in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as transportation 2003 projects or improvements in the omnibus transportation budget and to pay the principal and interest on the bonds authorized for transportation 2003 projects or improvements. Upon completion of the projects or improvements identified as transportation 2003 projects or improvements, moneys deposited in this account must only be used to pay the principal and interest on the bonds authorized for transportation 2003 projects or improvements, and any funds in the account in excess of the amount necessary to make the principal and interest payments may be used for maintenance on the completed projects or improvements.

(2) The "nickel account" means the transportation 2003 account.

(3) Beginning September 2015, by the last day of September, December, March, and June of each year, the state treasurer shall transfer four million two hundred thousand dollars from the multimodal transportation account to the nickel account, for a total transfer of thirty-three million six hundred thousand dollars per biennium.

**Sec. 208.** RCW 46.68.390 and 2012 c 74 s 9 are each amended to read as follows:

(1) The public transportation grant program account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for grants to aid transit authorities with operations.

(2) Beginning September 2015, by the last day of September, December, March, and June of each year, the state treasurer shall transfer three million two hundred fifty thousand dollars from the multimodal transportation account to the public transportation grant program account, for a total transfer of twenty-six million dollars per biennium.

NEW SECTION. **Sec. 209.** 2012 c 74 s 18 (uncodified) is repealed.

NEW SECTION. **Sec. 210.** A new section is added to chapter 46.68 RCW to read as follows:

(1) The pedestrian, bicycle, and safe routes to school account is created in the motor vehicle fund. All receipts from driver's license renewal fees collected under RCW 46.68.041(2)(c)(i)(B)(II) must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for pedestrian, bicycle, and safe routes to school projects.

(2) Beginning September 2015, by the last day of September, December, March, and June of each year, the state treasurer shall transfer six hundred fifty thousand dollars from the motor vehicle account to the pedestrian, bicycle, and safe routes to school account, for a total transfer of five million two hundred thousand dollars per biennium.

(3) Beginning September 2015, by the last day of September, December, March, and June of each year, the state treasurer shall transfer two million dollars from the multimodal transportation account to the pedestrian, bicycle, and safe routes to school account, for a total transfer of sixteen million dollars per biennium.

**Sec. 211.** RCW 47.76.250 and 2009 c 160 s 1 are each amended to read as follows:

(1) The essential rail assistance account is created in the state treasury. Moneys in the account may be appropriated only for the purposes specified in this section.

(2) Moneys appropriated from the account to the department of transportation may be used by the department or distributed by the department to cities, county rail districts, counties, economic development councils, port districts, and privately or publicly owned railroads for the purpose of:

- (a) Acquiring, rebuilding, rehabilitating, or improving rail lines;
- (b) Purchasing or rehabilitating railroad equipment necessary to maintain essential rail service;
- (c) Constructing railroad improvements to mitigate port access or mainline congestion;

(d) Construction of loading facilities to increase business on light density lines or to mitigate the impacts of abandonment;

(e) Preservation, including operation, of light density lines, as identified by the Washington state department of transportation, in compliance with this chapter; or

(f) Preserving rail corridors for future rail purposes by purchase of rights-of-way. The department shall first pursue transportation enhancement program funds, available under the federal surface transportation program, to the greatest extent practicable to preserve rail corridors. Purchase of rights-of-way may include track, bridges, and associated elements, and must meet the following criteria:

- (i) The right-of-way has been identified and evaluated in the state rail plan prepared under this chapter;
- (ii) The right-of-way may be or has been abandoned; and
- (iii) The right-of-way has potential for future rail service.

(3) The department or the participating local jurisdiction is responsible for maintaining any right-of-way acquired under this chapter, including provisions for drainage management, fire and weed control, and liability associated with ownership.

(4) Nothing in this section impairs the reversionary rights of abutting landowners, if any, without just compensation.

(5) The department, cities, county rail districts, counties, and port districts may grant franchises to private railroads for the right to operate on lines acquired under this chapter.

(6) The department, cities, county rail districts, counties, and port districts may grant trackage rights over rail lines acquired under this chapter.

(7) If rail lines or rail rights-of-way are used by county rail districts, port districts, state agencies, or other public agencies for the purposes of rail operations and are later abandoned, the rail lines or

rail rights-of-way cannot be used for any other purposes without the consent of the underlying fee title holder or reversionary rights holder, or until compensation has been made to the underlying fee title holder or reversionary rights holder.

(8) The department of transportation shall develop criteria for prioritizing freight rail projects that meet the minimum eligibility requirements for state assistance under RCW 47.76.240. The department shall develop criteria in consultation with the Washington state freight rail policy advisory committee. Project criteria should consider the level of local financial commitment to the project as well as cost/benefit ratio. Counties, local communities, railroads, shippers, and others who benefit from the project should participate financially to the greatest extent practicable.

(9) Moneys received by the department from franchise fees, trackage rights fees, and loan payments shall be redeposited in the essential rail assistance account. Repayment of loans made under this section shall occur within a period not longer than fifteen years, as set by the department. The repayment schedule and rate of interest, if any, shall be determined before the distribution of the moneys.

(10) The state shall maintain a contingent interest in any equipment, property, rail line, or facility that has outstanding grants or loans. The owner may not use the line as collateral, remove track, bridges, or associated elements for salvage, or use it in any other manner subordinating the state's interest without permission from the department.

(11) Moneys may be granted for improvements to privately owned railroads, railroad property, or other private property under this chapter for freight rail projects that meet the minimum eligibility criteria for state assistance under RCW 47.76.240, and which are supported by contractual consideration. At a minimum, such contractual consideration shall consist of defined benefits to the public with a value equal to or greater than the grant amount, and where the grant recipient provides the state a contingent interest adequate to ensure that such public benefits are realized.

(12) Beginning September 2013, by the last day of September, December, March, and June of each year, the state treasurer shall transfer two hundred seventy-five thousand dollars from the multimodal transportation account to the essential rail assistance account, for a total transfer of two million two hundred thousand dollars per biennium.

**FEES**

**Sec. 301.** RCW 46.17.355 and 2011 c 171 s 61 are each amended to read as follows:

(1) In lieu of the vehicle license fee required under RCW 46.17.350 and before accepting an application for a vehicle registration for motor vehicles described in RCW 46.16A.455, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant, unless specifically exempt, to pay the following license fee by weight:

	SCHEDULE A	SCHEDULE B
WEIGHT		
4,000 pounds	<del>(\$38.00)</del> \$ 53.00	<del>(\$38.00)</del> \$ 53.00
6,000 pounds	<del>(\$48.00)</del> \$ 73.00	<del>(\$48.00)</del> \$ 73.00
8,000 pounds	<del>(\$58.00)</del> \$ 93.00	<del>(\$58.00)</del> \$ 93.00
10,000 pounds	<del>(\$60.00)</del> \$ 93.00	<del>(\$60.00)</del> \$ 93.00

12,000 pounds	\$ 77.00	\$ 77.00	78,000 pounds	\$ 1,612.00	\$ 1,702.00
14,000 pounds	\$ 88.00	\$ 88.00	80,000 pounds	\$ 1,740.00	\$ 1,830.00
16,000 pounds	\$ 100.00	\$ 100.00	82,000 pounds	\$ 1,861.00	\$ 1,951.00
18,000 pounds	\$ 152.00	\$ 152.00	84,000 pounds	\$ 1,981.00	\$ 2,071.00
20,000 pounds	\$ 169.00	\$ 169.00	86,000 pounds	\$ 2,102.00	\$ 2,192.00
22,000 pounds	\$ 183.00	\$ 183.00	88,000 pounds	\$ 2,223.00	\$ 2,313.00
24,000 pounds	\$ 198.00	\$ 198.00	90,000 pounds	\$ 2,344.00	\$ 2,434.00
26,000 pounds	\$ 209.00	\$ 209.00	92,000 pounds	\$ 2,464.00	\$ 2,554.00
28,000 pounds	\$ 247.00	\$ 247.00	94,000 pounds	\$ 2,585.00	\$ 2,675.00
30,000 pounds	\$ 285.00	\$ 285.00	96,000 pounds	\$ 2,706.00	\$ 2,796.00
32,000 pounds	\$ 344.00	\$ 344.00	98,000 pounds	\$ 2,827.00	\$ 2,917.00
34,000 pounds	\$ 366.00	\$ 366.00	100,000 pounds	\$ 2,947.00	\$ 3,037.00
36,000 pounds	\$ 397.00	\$ 397.00	102,000 pounds	\$ 3,068.00	\$ 3,158.00
38,000 pounds	\$ 436.00	\$ 436.00	104,000 pounds	\$ 3,189.00	\$ 3,279.00
40,000 pounds	\$ 499.00	\$ 499.00	105,500 pounds	\$ 3,310.00	\$ 3,400.00
42,000 pounds	\$ 519.00	\$ 609.00			
44,000 pounds	\$ 530.00	\$ 620.00			
46,000 pounds	\$ 570.00	\$ 660.00			
48,000 pounds	\$ 594.00	\$ 684.00			
50,000 pounds	\$ 645.00	\$ 735.00			
52,000 pounds	\$ 678.00	\$ 768.00			
54,000 pounds	\$ 732.00	\$ 822.00			
56,000 pounds	\$ 773.00	\$ 863.00			
58,000 pounds	\$ 804.00	\$ 894.00			
60,000 pounds	\$ 857.00	\$ 947.00			
62,000 pounds	\$ 919.00	\$ 1,009.00			
64,000 pounds	\$ 939.00	\$ 1,029.00			
66,000 pounds	\$ 1,046.00	\$ 1,136.00			
68,000 pounds	\$ 1,091.00	\$ 1,181.00			
70,000 pounds	\$ 1,175.00	\$ 1,265.00			
72,000 pounds	\$ 1,257.00	\$ 1,347.00			
74,000 pounds	\$ 1,366.00	\$ 1,456.00			
76,000 pounds	\$ 1,476.00	\$ 1,566.00			

(2) Schedule A applies to vehicles either used exclusively for hauling logs or that do not tow trailers. Schedule B applies to vehicles that tow trailers and are not covered under Schedule A.

(3) If the resultant gross weight is not listed in the table provided in subsection (1) of this section, it must be increased to the next higher weight.

(4) The license fees provided in subsection (1) of this section and the freight project fee provided in subsection (6) of this section are in addition to the filing fee required under RCW 46.17.005 and any other fee or tax required by law.

(5) Except as provided otherwise in this section, the license fee based on declared gross weight as provided in subsection (1) of this section must be distributed under RCW 46.68.035.

(6) In addition to the license fee based on declared gross weight as provided in subsection (1) of this section, the department, county auditor or other agent, or subagent appointed by the director must require an applicant with a vehicle with a declared gross weight of more than 10,000 pounds, unless specifically exempt, to pay a freight project fee equal to fifteen percent of the license fee provided in subsection (1) of this section, rounded to the nearest whole dollar, which must be deposited in the connecting Washington account created in section 106 of this act to be used for major freight corridors.

(7)(a) Fifteen dollars of each license fee based on declared gross weight, as provided in subsection (1) of this section, paid by an applicant with a vehicle with a declared gross weight of 4,000 pounds or less must be deposited in the connecting Washington account created in section 106 of this act.

(b) Twenty-five dollars of each license fee based on declared gross weight, as provided in subsection (1) of this section, paid by an applicant with a vehicle with a declared gross weight of 6,000 pounds or less, but more than 4,000 pounds, must be deposited in the connecting Washington account created in section 106 of this act.

(c) Thirty-five dollars of each license fee based on declared gross

weight, as provided in subsection (1) of this section, paid by an applicant with a vehicle with a declared gross weight of 8,000 pounds or less, but more than 6,000 pounds, must be deposited in the connecting Washington account created in section 106 of this act.

(d) Thirty-three dollars of each license fee based on declared gross weight, as provided in subsection (1) of this section, paid by an applicant with a vehicle with a declared gross weight of 10,000 pounds or less, but more than 8,000 pounds, must be deposited in the connecting Washington account created in section 106 of this act.

**NEW SECTION. Sec. 302.** Section 301 of this act applies to vehicle registrations that are due or become due on or after February 1, 2014.

**Sec. 303.** RCW 46.68.035 and 2010 c 161 s 804 are each amended to read as follows:

Except as provided in RCW 46.17.355 (6) and (7), the director shall forward all proceeds from vehicle license fees received by the director for vehicles registered under RCW 46.17.350(1) (c) and (k), 46.17.355, and 46.17.400(1)(c) to the state treasurer to be distributed into accounts according to the following method:

- (1) 22.36 percent must be deposited into the state patrol highway account of the motor vehicle fund;
- (2) 1.375 percent must be deposited into the Puget Sound ferry operations account of the motor vehicle fund;
- (3) 5.237 percent must be deposited into the transportation 2003 account (nickel account);
- (4) 11.533 percent must be deposited into the transportation partnership account created in RCW 46.68.290; and
- (5) The remaining proceeds must be deposited into the motor vehicle fund.

**Sec. 304.** RCW 81.77.160 and 1997 c 434 s 1 are each amended to read as follows:

(1) The commission, in fixing and altering collection rates charged by every solid waste collection company under this section, shall include in the base for the collection rates:

- (a) All charges for the disposal of solid waste at the facility or facilities designated by a local jurisdiction under a local comprehensive solid waste management plan or ordinance; ~~((and))~~
- (b) All known and measurable costs related to implementation of the approved county or city comprehensive solid waste management plan; and
- (c) All taxes and fees imposed or increased under this act.

(2) If a solid waste collection company files a tariff to recover the costs specified under this section, and the commission suspends the tariff, the portion of the tariff covering costs specified in this section shall be placed in effect by the commission at the request of the company on an interim basis as of the originally filed effective date, subject to refund, pending the commission's final order. The commission may adopt rules to implement this section.

(3) This section applies to a solid waste collection company that has an affiliated interest under chapter 81.16 RCW with a facility, if the total cost of disposal, including waste transfer, transport, and disposal charges, at the facility is equal to or lower than any other reasonable and currently available option.

**NEW SECTION. Sec. 305.** A new section is added to chapter 46.17 RCW to read as follows:

(1) The department and a county auditor or other agent appointed by the director shall collect a service fee of five dollars for each vehicle registration renewal processed by the department or that county auditor's or other agent's office. The service fee must be deposited into the connecting Washington account created in section 106 of this act.

(2) The department and a county auditor or other agent appointed by the director shall collect a service fee of twelve dollars for each certificate of title transaction processed by the department or that county auditor's or other agent's office. The service fee must be

deposited into the connecting Washington account created in section 106 of this act.

**NEW SECTION. Sec. 306.** Section 305 of this act applies to vehicle registrations that are due or become due on or after June 1, 2014.

**Sec. 307.** RCW 46.17.323 and 2012 c 74 s 10 are each amended to read as follows:

(1) Before accepting an application for an annual vehicle registration renewal for ~~((an electric))~~ a vehicle that uses ~~((propulsion units powered solely by))~~ at least one method of propulsion that is capable of being reenergized by an external source of electricity, the department, county auditor or other agent, or subagent appointed by the director must require the applicant to pay a one hundred dollar fee in addition to any other fees and taxes required by law. The one hundred dollar fee is due only at the time of annual registration renewal.

(2) This section only applies to:

- (a) A vehicle that is designed to have the capability to drive at a speed of more than thirty-five miles per hour; and
- (b) An annual vehicle registration renewal that is due on or after February 1, 2013.

(3)(a) The fee under this section is imposed to provide funds to mitigate the impact of vehicles on state roads and highways and for the purpose of evaluating the feasibility of transitioning from a revenue collection system based on fuel taxes to a road user assessment system, and is separate and distinct from other vehicle license fees. Proceeds from the fee must be ~~((used for highway purposes, and))~~ deposited into the transportation innovative partnership account created in RCW 47.29.230 for the purpose of creating and funding the Washington electric vehicle infrastructure bank as provided in section 601 of this act. Once the total number of electric vehicles subject to this fee has reached one-half of one percent of the state's total registered vehicle fleet, proceeds must be deposited in the motor vehicle fund created in RCW 46.68.070(~~(; subject to))~~ and distributed in the manner provided in (b) of this subsection.

(b) ~~((If in any year the amount of proceeds from the fee collected under this section exceeds one million dollars, the excess amount over one million dollars must be deposited))~~ Any fee proceeds eligible for deposit in the motor vehicle fund must be distributed as follows:

- (i) Seventy percent to the motor vehicle fund created in RCW 46.68.070;
- (ii) Fifteen percent to the transportation improvement account created in RCW 47.26.084; and
- (iii) Fifteen percent to the rural arterial trust account created in RCW 36.79.020.

**Sec. 308.** RCW 46.17.050 and 2010 c 161 s 505 are each amended to read as follows:

Before accepting a report of sale filed under RCW 46.12.650(2), the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay(~~(=~~ ~~(+))~~) the filing fee under RCW 46.17.005(1), the license plate technology fee under RCW 46.17.015, ~~((and))~~ the license service fee under RCW 46.17.025 ~~((to the county auditor or other agent, and~~ ~~(=~~ ~~(+))~~ ~~(2) The subagent)), and the service fee under RCW 46.17.040(2) ((to the subagent)). Any service fees collected by the department under this section must be deposited in the multimodal transportation account created in RCW 47.66.070.~~

**Sec. 309.** RCW 46.17.060 and 2010 c 161 s 507 are each amended to read as follows:

Before accepting a transitional ownership record filed under RCW 46.12.660, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay(~~(=~~ ~~(+))~~) the filing fee under RCW 46.17.005(1), the license plate technology fee under RCW 46.17.015, ~~((and))~~ the license service fee under RCW 46.17.025 ~~((to the county auditor or other agent, and~~

~~—(2) The subagent), and the service fee under RCW 46.17.040(2) ((to the subagent)). Any service fees collected by the department under this section must be deposited in the multimodal transportation account created in RCW 47.66.070.~~

**Sec. 310.** RCW 46.20.202 and 2007 c 7 s 1 are each amended to read as follows:

(1) The department may enter into a memorandum of understanding with any federal agency for the purposes of facilitating the crossing of the border between the state of Washington and the Canadian province of British Columbia.

(2) The department may enter into an agreement with the Canadian province of British Columbia for the purposes of implementing a border-crossing initiative.

(3)(a) The department may issue an enhanced driver's license or identicard for the purposes of crossing the border between the state of Washington and the Canadian province of British Columbia to an applicant who provides the department with proof of: United States citizenship, identity, and state residency. The department shall continue to offer a standard driver's license and identicard. If the department chooses to issue an enhanced driver's license, the department must allow each applicant to choose between a standard driver's license or identicard, or an enhanced driver's license or identicard.

(b) The department shall implement a one-to-many biometric matching system for the enhanced driver's license or identicard. An applicant for an enhanced driver's license or identicard shall submit a biometric identifier as designated by the department. The biometric identifier must be used solely for the purpose of verifying the identity of the holders and for any purpose set out in RCW 46.20.037. Applicants are required to sign a declaration acknowledging their understanding of the one-to-many biometric match.

(c) The enhanced driver's license or identicard must include reasonable security measures to protect the privacy of Washington state residents, including reasonable safeguards to protect against unauthorized disclosure of data about Washington state residents. If the enhanced driver's license or identicard includes a radio frequency identification chip, or similar technology, the department shall ensure that the technology is encrypted or otherwise secure from unauthorized data access.

(d) The requirements of this subsection are in addition to the requirements otherwise imposed on applicants for a driver's license or identicard. The department shall adopt such rules as necessary to meet the requirements of this subsection. From time to time the department shall review technological innovations related to the security of identity cards and amend the rules related to enhanced driver's licenses and identicards as the director deems consistent with this section and appropriate to protect the privacy of Washington state residents.

(e) Notwithstanding RCW 46.20.118, the department may make images associated with enhanced drivers' licenses or identicards from the negative file available to United States customs and border agents for the purposes of verifying identity.

~~(4) ((The department may set a fee for the issuance of enhanced drivers' licenses and identicards under this section.)) (a) The fee for an enhanced driver's license or enhanced identicard is fifty-four dollars, which is in addition to the fees for any regular driver's license or identicard. If the enhanced driver's license or enhanced identicard is issued, renewed, or extended for a period other than six years, the fee for each class is nine dollars for each year that the enhanced driver's license or enhanced identicard is issued, renewed, or extended.~~

~~(b) Thirty-six dollars of each enhanced driver's license or identicard fee, or six dollars of the fee for each class for each year if the enhanced driver's license or enhanced identicard is issued, renewed, or extended for a period other than six years, must be deposited in the multimodal transportation account created in RCW 47.66.070.~~

## LOCAL REVENUE OPTIONS

**NEW SECTION. Sec. 401.** (1) It is the intent of the legislature to provide diversified local revenue options that may be tailored to the needs of each jurisdiction, in addition to any increases in funding provided through already existing partnerships between the state and local communities, such as the motor vehicle fuel taxes. In the case of public transit systems in particular, there is a need for additional revenue sources beyond the current sales and use tax options, which may, on their own, not be sufficient to meet the funding challenges of a particular system.

(2) It is also the intent that local governments coordinate with other municipalities, transit systems, transportation benefit districts, planning organizations, and other transportation agencies. It is critical that all transportation infrastructure is well planned, coordinated, and maintained at the local levels to provide a seamless transportation infrastructure to enable people and goods to move safely and efficiently throughout the state and to bolster and improve the state's economy.

(3) The legislature finds that the purchasing power of funds to pay for local transportation needs continues to decline while costs have risen. Without additional funding, counties and cities will continue to struggle financially to preserve and maintain county roads, city streets, and bridges; pavement conditions will continue to decline; and public transit systems will be forced to cut services at a time when demand for transit services is increasing.

**Sec. 402.** RCW 36.73.015 and 2012 c 152 s 1 are each amended to read as follows:

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

(1) "City" means a city or town.

(2) "District" means a transportation benefit district created under this chapter.

(3) "Low-income" means household income that is at or below forty-five percent of the median household income, adjusted for household size, for the district in which the fees, taxes, or tolls were imposed.

(4) "Rebate program" means an optional program established by a transportation benefit district that includes a city with a population of five hundred thousand persons or more for the purpose of providing rebates to low-income individuals for fees, taxes, and/or tolls imposed by such transportation benefit district for: (a) Vehicle fees imposed under RCW 36.73.040(3)(b); (b) sales and use taxes imposed under RCW 36.73.040(3)(a); and/or (c) tolls imposed under RCW 36.73.040(3)(d).

(5) "Supplemental transportation improvement" or "supplemental improvement" means any project, work, or undertaking to provide public transportation service, in addition to a district's existing or planned voter-approved transportation improvements, proposed by a participating city member of the district under RCW 36.73.180.

(6) "Transportation improvement" means a project contained in the transportation plan of the state, a regional transportation planning organization, city, county, or eligible jurisdiction as identified in RCW 36.73.020(2). A project may include, but is not limited to, investment in new or existing highways of statewide significance, principal arterials of regional significance, high capacity transportation, public transportation, and other transportation projects and programs of local, regional, or statewide significance including transportation demand management. Projects may also include the operation, preservation, and maintenance of these facilities or programs.

**Sec. 403.** RCW 36.73.020 and 2010 c 250 s 1 are each amended to read as follows:

(1) The legislative authority of a county or city may establish a transportation benefit district within the county or city area or within the area specified in subsection (2) of this section, for the purpose of acquiring, constructing, improving, providing, and funding a transportation improvement within the district that is consistent with any existing state, regional, or local transportation plans and necessitated by existing or reasonably foreseeable congestion levels. The transportation improvements shall be owned by the county of jurisdiction if located in an unincorporated area, by the city of jurisdiction if located in an incorporated area, or by the state in cases where the transportation improvement is or becomes a state highway. However, if deemed appropriate by the governing body of the transportation benefit district, a transportation improvement may be owned by a participating port district or transit district, unless otherwise prohibited by law. Transportation improvements shall be administered and maintained as other public streets, roads, highways, and transportation improvements. To the extent practicable, the district shall consider the following criteria when selecting transportation improvements:

- (a) Reduced risk of transportation facility failure and improved safety;
- (b) Improved travel time;
- (c) Improved air quality;
- (d) Increases in daily and peak period trip capacity;
- (e) Improved modal connectivity;
- (f) Improved freight mobility;
- (g) Cost-effectiveness of the investment;
- (h) Optimal performance of the system through time;
- (i) Improved accessibility for, or other benefits to, persons with special transportation needs as defined in RCW 47.06B.012; and
- (j) Other criteria, as adopted by the governing body.

(2) Subject to subsection (6) of this section, the district may include area within more than one county, city, port district, county transportation authority, reservation of a federally recognized tribe, or public transportation benefit area, if the legislative authority of each participating jurisdiction has agreed to the inclusion as provided in an interlocal agreement adopted pursuant to chapter 39.34 RCW. However, the boundaries of the district need not include all territory within the boundaries of the participating jurisdictions comprising the district.

(3) The members of the legislative authority proposing to establish the district, acting ex officio and independently, shall constitute the governing body of the district: PROVIDED, That where a district includes area within more than one jurisdiction under subsection (2) of this section, the district shall be governed under an interlocal agreement adopted pursuant to chapter 39.34 RCW, with the governing body being composed of (a) at least five members including at least one elected official from the legislative authority of each participating jurisdiction or (b) the governing body of the metropolitan planning organization serving the district, but only if the district boundaries are identical to the boundaries of the metropolitan planning organization serving the district.

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

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

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

- (a) Counties with a population greater than one million five hundred thousand persons and any adjoining counties with a population greater than five hundred thousand persons;
- (b) Cities with any area within the counties under (a) of this subsection; and

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

**Sec. 404.** RCW 36.73.065 and 2012 c 152 s 3 are each amended to read as follows:

(1) Except as provided in subsection (4) of this section, taxes, fees, charges, and tolls may not be imposed by a district without approval of a majority of the voters in the district voting on a proposition at a general or special election. The proposition must include a specific description of: (a) The transportation improvement or improvements proposed by the district; (b) any rebate program proposed to be established under RCW 36.73.067; and (c) the proposed taxes, fees, charges, and the range of tolls imposed by the district to raise revenue to fund the improvement or improvements or rebate program, as applicable.

(2) Voter approval under this section must be accorded substantial weight regarding the validity of a transportation improvement as defined in RCW 36.73.015.

(3) A district may not increase any taxes, fees, charges, or range of tolls imposed or change a rebate program under this chapter once the taxes, fees, charges, tolls, or rebate program takes effect, unless authorized by the district voters pursuant to RCW 36.73.160 or up to forty dollars of the vehicle fee authorized in RCW 82.80.140 by the governing board of the district.

(4)(a) A district that includes all the territory within the boundaries of the jurisdiction, or jurisdictions, establishing the district, but not including territory in which a fee is currently being collected under RCW 82.80.140, may impose by a majority vote of the governing board of the district the following fees and charges:

(i) Up to ~~((twenty))~~ forty dollars of the vehicle fee authorized in RCW 82.80.140; or

(ii) A fee or charge in accordance with RCW 36.73.120.

(b) The vehicle fee authorized in (a) of this subsection may only be imposed for a passenger-only ferry transportation improvement if the vehicle fee is first approved by a majority of the voters within the jurisdiction of the district.

(c)(i) A district solely comprised of a city or cities ~~((shall))~~ may not impose the fees or charges identified in (a) of this subsection within one hundred eighty days after July 22, 2007, unless the county in which the city or cities reside, by resolution, declares that it will not impose the fees or charges identified in (a) of this subsection within the one hundred eighty-day period; or

(ii) A district solely comprised of a city or cities identified in RCW 36.73.020(6)(b) may not impose the fees or charges until after May 22, 2008, unless the county in which the city or cities reside, by resolution, declares that it will not impose the fees or charges identified in (a) of this subsection through May 22, 2008.

(5) If the interlocal agreement in RCW 82.80.140(2)(a) cannot be reached, a district that includes only the unincorporated territory of a county may impose by a majority vote of the governing body of the district up to ~~((twenty))~~ forty dollars of the vehicle fee authorized in RCW 82.80.140.

**NEW SECTION. Sec. 405.** A new section is added to chapter 82.80 RCW to read as follows:

(1) A county with a population of one million or more may impose, by approval of a majority of the registered voters of the county voting on the proposition at a general or special election, a local motor vehicle excise tax of up to one and one-half percent annually on the value of every motor vehicle registered to a person residing within the county based on any guidebook, report, or compendium of recognized standing in the automotive industry, such as the Kelley Blue Book or the National Automobile Dealers' Association Guide. A motor vehicle excise tax may not be imposed on vehicles licensed under RCW 46.17.355, except for motor vehicles with an unladen weight of six thousand pounds or less, RCW 46.16A.425, 46.17.335, or 46.17.350(1)(c).

(2) A county imposing a tax under this section must contract, before the effective date of the resolution or ordinance imposing the local motor vehicle excise tax, administration and collection to the department of licensing, as appropriate, which must deduct an amount, as provided by contract, for administration and collection expenses incurred by the department.

(3) If the department of licensing determines a value for a vehicle pursuant to subsection (1) of this section, any person who pays a locally imposed motor vehicle excise tax for that vehicle may appeal the valuation to the department of licensing under chapter 34.05 RCW. If the taxpayer is successful on appeal, the department must refund the excess tax.

(4) The tax imposed under this section applies only when renewing a vehicle registration, and is effective upon the registration renewal date as provided by the department of licensing.

(5)(a) A county imposing a tax under this section must use sixty percent of the net funds, after any deductions pursuant to subsection (2) of this section, for the operation, maintenance, or capital needs of public transportation systems.

(b) The remaining forty percent of the net funds, after any deductions pursuant to subsection (2) of this section, must be used for the operations and maintenance of local roads and must be distributed on a pro rata basis to the county imposing the local motor vehicle excise tax and to incorporated cities and towns within the county based upon the population of the unincorporated portion of the county, the population of an incorporated city, or the population of an incorporated town as a percentage of the total population of the county.

(6) For purposes of this section, the population of an incorporated city or town is the most recent population determined by the office of financial management.

**Sec. 406.** RCW 82.14.045 and 2008 c 86 s 102 are each amended to read as follows:

(1) The legislative body of any city pursuant to RCW 35.92.060, of any county which has created an unincorporated transportation benefit area pursuant to RCW 36.57.100 and 36.57.110, of any public transportation benefit area pursuant to RCW 36.57A.080 and 36.57A.090, of any county transportation authority established pursuant to chapter 36.57 RCW, ~~(and)~~ of any metropolitan municipal corporation within a county with a population of one million or more pursuant to chapter 35.58 RCW, and of any enhanced public transportation zone pursuant to section 408 of this act, may, by resolution or ordinance for the sole purpose of providing funds for the operation, maintenance, or capital needs of public transportation systems or public transportation limited to persons with special needs under RCW 36.57.130 and 36.57A.180, and in lieu of the excise taxes authorized by RCW 35.95.040, submit an authorizing proposition to the voters or include such authorization in a proposition to perform the function of public transportation or public transportation limited to persons with special needs under RCW 36.57.130 and 36.57A.180, and if approved by a majority of persons voting thereon, impose a sales and use tax in accordance with the terms of this chapter. Where an authorizing proposition is submitted by a county on behalf of an unincorporated transportation benefit area, it shall be voted upon by the voters residing within the boundaries of such unincorporated transportation benefit area and, if approved, the sales and use tax shall be imposed only within such area. Notwithstanding any provisions of this section to the contrary, any county in which a county public transportation plan has been adopted pursuant to RCW 36.57.070 and the voters of such county have authorized the imposition of a sales and use tax pursuant to the provisions of section 10, chapter 167, Laws of 1974 ex. sess., prior to July 1, 1975, shall be authorized to fix and impose a sales and use tax as provided in this section at not to exceed the rate so authorized without additional approval of the voters of such county as otherwise required by this section.

The tax authorized by this section shall be in addition to the tax authorized by RCW 82.14.030 and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within such city, public transportation benefit area, county, ~~((or))~~ metropolitan municipal corporation, or enhanced public transportation zone as the case may be. The rate of such tax shall be one-tenth, two-tenths, three-tenths, four-tenths, five-tenths, six-tenths, seven-tenths, eight-tenths, or nine-tenths of one percent of the selling price (in the case of a sales tax) or value of the article used (in the case of a use tax). The rate of such tax shall not exceed the rate authorized by the voters unless such increase shall be similarly approved.

(2)(a) In the event a metropolitan municipal corporation imposes a sales and use tax pursuant to this chapter no city, county which has created an unincorporated transportation benefit area, public transportation benefit area authority, or county transportation authority wholly within such metropolitan municipal corporation shall be empowered to impose and/or collect taxes under RCW 35.95.040 or this section, but nothing herein shall prevent such city or county from imposing sales and use taxes pursuant to any other authorization.

(b) In the event a county transportation authority imposes a sales and use tax under this section, no city, county which has created an unincorporated transportation benefit area, public transportation benefit area, or metropolitan municipal corporation, located within the territory of the authority, shall be empowered to impose or collect taxes under RCW 35.95.040 or this section.

(c) In the event a public transportation benefit area imposes a sales and use tax under this section, no city, county which has created an unincorporated transportation benefit area, or metropolitan municipal corporation, located wholly or partly within the territory of the public transportation benefit area, shall be empowered to impose or collect taxes under RCW 35.95.040 or this section.

(3) The legislative body of a public transportation benefit area located in a county with a population of seven hundred thousand or more that also contains a city with a population of seventy-five thousand or more operating a transit system pursuant to chapter 35.95 RCW may submit an authorizing proposition to the voters and, if approved by a majority of persons voting on the proposition, impose a sales and use tax in accordance with the terms of this chapter of one-tenth, two-tenths, or three-tenths of one percent of the selling price, in the case of a sales tax, or value of the article used, in the case of a use tax, in addition to the rate in subsection (1) of this section.

**Sec. 407.** RCW 82.80.140 and 2010 c 161 s 917 are each amended to read as follows:

(1) Subject to the provisions of RCW 36.73.065, a transportation benefit district under chapter 36.73 RCW may fix and impose an annual vehicle fee, not to exceed one hundred dollars per vehicle registered in the district, for each vehicle subject to vehicle license fees under RCW 46.17.350(1) (a), (c), (d), (e), (g), (h), (j), or (n) through (q) and for each vehicle subject to gross weight license fees under RCW 46.17.355 with a scale weight of six thousand pounds or less.

(2)(a) A district that includes all the territory within the boundaries of the jurisdiction, or jurisdictions, establishing the district, but not including territory in which a fee is currently being collected under this section, may impose by a majority vote of the governing board of the district up to ~~((twenty))~~ forty dollars of the vehicle fee authorized in subsection (1) of this section.

(i) If the district is countywide, the revenues of the fee ((shall)) must be distributed to each city within the ((county)) district by interlocal agreement that must be effective prior to imposition of the fee. The interlocal agreement is effective when approved by the ((county)) district and sixty percent of the cities representing seventy-five percent of the population of the cities within the ((county)) district in which the countywide fee is collected.

(ii) If the district is less than countywide, the revenues of the fee must be distributed to each city within the district by interlocal agreement that must be effective prior to imposition of the fee.

(b) A district may not impose a fee under this subsection (2):

(i) For a passenger-only ferry transportation improvement unless the vehicle fee is first approved by a majority of the voters within the jurisdiction of the district; or

(ii) That, if combined with the fees previously imposed by another district within its boundaries under RCW 36.73.065(4)(a)(i), exceeds ~~((twenty))~~ forty dollars.

If a district imposes or increases a fee under this subsection (2) that, if combined with the fees previously imposed by another district within its boundaries, exceeds ~~((twenty))~~ forty dollars, the district shall provide a credit for the previously imposed fees so that the combined vehicle fee does not exceed ~~((twenty))~~ forty dollars.

(3) The department of licensing shall administer and collect the fee. The department shall deduct a percentage amount, as provided by contract, not to exceed one percent of the fees collected, for administration and collection expenses incurred by it. The department shall remit remaining proceeds to the custody of the state treasurer. The state treasurer shall distribute the proceeds to the district on a monthly basis.

(4) No fee under this section may be collected until six months after approval under RCW 36.73.065.

(5) The vehicle fee under this section applies only when renewing a vehicle registration, and is effective upon the registration renewal date as provided by the department of licensing.

(6) The following vehicles are exempt from the fee under this section:

(a) Campers, as defined in RCW 46.04.085;

(b) Farm tractors or farm vehicles, as defined in RCW 46.04.180 and 46.04.181;

(c) Mopeds, as defined in RCW 46.04.304;

(d) Off-road and nonhighway vehicles, as defined in RCW 46.04.365;

(e) Private use single-axle trailer, as defined in RCW 46.04.422;

(f) Snowmobiles, as defined in RCW 46.04.546; and

(g) Vehicles registered under chapter 46.87 RCW and the international registration plan.

**NEW SECTION. Sec. 408.** A new section is added to chapter 82.14 RCW to read as follows:

(1)(a) The tax authorized under RCW 82.14.045 may also be imposed by the legislative body of an enhanced public transportation zone established under subsection (2) of this section if approved by the voters in the enhanced public transportation zone in the manner provided for in this section. The establishing transit agency must consult with the department on sales tax collection methods when establishing the boundaries of the enhanced public transportation zone.

(b) A tax imposed under (a) of this subsection, when combined with the rate of tax imposed by the establishing transit agency under RCW 82.14.045, may not exceed the maximum rate allowed under RCW 82.14.045, and expires either (i) three years after imposition, unless reauthorized by the voters in the enhanced public transportation zone in the manner provided for in this section, or (ii) upon failure of a reauthorization. Prior to reauthorization, the enhanced public transportation zone boundaries must be readjusted, if necessary, to meet the provisions under subsection (2)(c) of this section. A tax imposed under (a) of this subsection must be imposed only in the territory of the enhanced public transportation zone. The revenue from the tax imposed under (a) of this subsection must be expended only for public transportation service within the enhanced public transportation zone and must not supplant existing revenues allocated to the enhanced public transportation zone.

(c) Six months prior to the voter authorization or reauthorization of the tax authorized under (a) of this subsection, the establishing

transit agency must determine a baseline level of fixed-route public transportation service. This baseline level of service must be publicly posted on the web site of the establishing transit agency. Upon the collection of the tax imposed under (a) of this subsection, fixed-route public transportation service within the enhanced public transportation zone must increase proportionally to additional revenue generated within the enhanced public transportation zone. Service hours within the enhanced public transportation zone must increase from the baseline level in accordance with the establishing transit agency's most recent cost of fixed-route public transportation per service hour, as approved by the national transit database. A report on the increase in public transportation service must be publicly posted annually on the establishing transit agency's web site.

(2)(a) The legislative body of a transit agency may establish an enhanced public transportation zone within a portion of the boundaries of the transit agency establishing the enhanced public transportation zone. An enhanced public transportation zone may include all or a portion of any county, city, or town as long as all or a portion of the county, city, or town is within the territory of the establishing transit agency. However, the legislative body of a city, town, or county may pass a resolution removing all or a portion of its jurisdiction from the enhanced public transportation zone, prior to creation of the zone, or at the time of reauthorization of the zone. The boundaries of any enhanced public transportation zone must follow election precinct lines as far as practicable. When creating the zone boundaries, the establishing transit agency must attempt to include a significant amount of the population that the establishing transit agency designated as low income or minority for purposes of Title VI of the federal civil rights act of 1964. An enhanced public transportation zone may not include more than forty-nine percent of the population of the establishing transit agency.

(b) The members of the legislative body of the transit agency proposing to establish the enhanced public transportation zone, acting ex officio and independently, constitutes the legislative body of the enhanced public transportation zone.

(c) An enhanced public transportation zone may establish, finance, and provide a public transportation system within its boundaries in the same manner as authorized for the transit agency establishing the enhanced public transportation zone. However, the establishing transit agency must adopt a resolution or ordinance finding that the enhanced public transportation zone warrants consistent and sustainable transportation service levels of passenger capacity, speed, and service frequency to serve persons within the enhanced public transportation zone that would otherwise be substantially disadvantaged if the enhanced public transportation zone were not created.

(d) An enhanced public transportation zone constitutes a body corporate and possesses all the usual powers of a corporation for public purposes as well as all other powers that may be conferred by statute including, but not limited to, the authority to hire employees, staff, and services, to enter into contracts, to acquire, hold, and dispose of real and personal property, and to sue and be sued. Public works contract limits applicable to the transit agency that established the enhanced public transportation zone also apply to the enhanced public transportation zone.

(e) An enhanced public transportation zone may be dissolved by a majority vote of its legislative body when all contractual obligations of the enhanced public transportation zone have either been discharged or assumed by another governmental entity.

(3) For the purposes of this section:

(a) "Enhanced public transportation zone" means a quasi-municipal corporation and independent taxing authority within the meaning of Article VII, section 1 of the state Constitution, and a taxing district within the meaning of Article VII, section 2 of the state Constitution, created by the legislative body of a transit agency.

(b) "Transit agency" means a city-owned transit system, an unincorporated transportation benefit area, a county transportation authority, a metropolitan municipal corporation within a county with a population of one million or more, and a public transportation benefit area.

**NEW SECTION. Sec. 409.** A new section is added to chapter 36.57A RCW to read as follows:

(1) A governing body of a public transportation benefit area may establish one or more passenger-only ferry service districts within all or a portion of the boundaries of the public transportation benefit area establishing the passenger-only ferry service district. A passenger-only ferry service district may include all or a portion of a city or town as long as all or a portion of the city or town boundaries are within the boundaries of the establishing public transportation benefit area. The members of the public transportation benefit area governing body proposing to establish the passenger-only ferry service district, acting ex officio and independently, shall constitute the governing body of the passenger-only ferry service district.

(2) A passenger-only ferry service district may establish, finance, and provide passenger-only ferry service, and associated services to support and augment passenger-only ferry service operation, within its boundaries in the same manner as authorized for public transportation benefit areas under this chapter.

(3) A passenger-only ferry service district constitutes a body corporate and possesses all the usual powers of a corporation for public purposes as well as all other powers that may be conferred by statute including, but not limited to, the authority to hire employees, staff, and services, to enter into contracts, to acquire, hold, and dispose of real and personal property, and to sue and be sued. Public works contract limits applicable to the public transportation benefit area that established the passenger-only ferry service district apply to the area. For purposes of this section, "passenger-only ferry service district" means a quasi-municipal corporation and independent taxing authority within the meaning of Article VII, section 1 of the state Constitution, and a taxing district within the meaning of Article VII, section 2 of the state Constitution, created by the legislative body of a public transportation benefit area.

(4) A passenger-only ferry service district may exercise the power of eminent domain to obtain property for its authorized purposes in the same manner as authorized for the public transportation benefit area that established the passenger-only ferry service district.

(5) Before a passenger-only ferry service district may provide passenger-only ferry service, it must develop a passenger-only ferry investment plan including elements: To operate or contract for the operation of passenger-only ferry services; to purchase, lease, or rent ferry vessels and dock facilities for the provision of transit service; and to identify other activities necessary to implement the plan. The plan must set forth terminal locations to be served, projected costs of providing services, and revenues to be generated from tolls, locally collected tax revenues, and other revenue sources. The plan must ensure that services provided under the plan are for the benefit of the residents of the passenger-only ferry service district. The passenger-only ferry service district may use any of its powers to carry out this purpose, unless otherwise prohibited by law. In addition, the passenger-only ferry service district may enter into contracts and agreements to operate passenger-only ferry service and public-private partnerships and design-build, general contractor/construction management, or other alternative procurement processes substantially consistent with chapter 39.10 RCW.

(6) A passenger-only ferry service district may be dissolved by a majority vote of the governing body when all obligations under any general obligation bonds issued by the passenger-only ferry service district have been discharged and any other contractual obligations of the passenger-only ferry service district have either been discharged or assumed by another governmental entity.

**NEW SECTION. Sec. 410.** A new section is added to chapter 36.57A RCW to read as follows:

(1) A passenger-only ferry service district may, as part of a passenger-only ferry investment plan, recommend some or all of the following revenue sources as provided in this chapter:

(a) A sales and use tax, as provided in section 411 of this act;

(b) A parking tax, as provided in RCW 82.80.030;

(c) Tolls for passengers and packages and, where applicable, parking; and

(d) Charges or licensing fees for advertising, leasing space for services to ferry passengers, and other revenue generating activities.

(2) Taxes may not be imposed without an affirmative vote of the majority of the voters within the boundaries of the passenger-only ferry service district voting on a single ballot proposition to both approve a passenger-only ferry investment plan and to approve taxes to implement the plan. Revenues from these taxes and fees may be used only to implement the plan and must be used for the benefit of the residents of the passenger-only ferry service district. A district may contract with the department of revenue or other appropriate entities for administration and collection of any of the taxes or charges authorized in this section.

**NEW SECTION. Sec. 411.** A new section is added to chapter 82.14 RCW to read as follows:

Passenger-only ferry service districts providing passenger-only ferry service as provided in section 409 of this act may submit an authorizing proposition to the voters and, if approved by a majority of persons voting, fix and impose a sales and use tax in accordance with the terms of this chapter, solely for the purpose of providing passenger-only ferry service and associated services to support and augment passenger-only ferry service operation.

The tax authorized under this section is in addition to other taxes authorized by law and must be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of a taxable event within the taxing district. The maximum rate of the tax must be approved by the voters and may not exceed six-tenths of one percent of the selling price in the case of a sales tax or value of the article used in the case of a use tax.

**Sec. 412.** RCW 82.80.005 and 2002 c 56 s 415 are each amended to read as follows:

For the purposes of this chapter, "district" means a regional transportation investment district created under chapter 36.120 RCW or a passenger-only ferry service district created under chapter 36.57A RCW.

**NEW SECTION. Sec. 413.** A new section is added to chapter 36.57A RCW to read as follows:

(1) A passenger-only ferry service district may form a local improvement district to provide any transportation improvement it has the authority to provide, impose special assessments on all property specially benefited by the transportation improvements, and issue special assessment bonds or revenue bonds to fund the costs of the transportation improvement. Local improvement districts must be created and assessments must be made and collected pursuant to chapters 35.43, 35.44, 35.49, 35.50, 35.51, 35.53, and 35.54 RCW.

(2) The governing body of the passenger-only ferry service district shall by resolution establish for each special assessment bond issue the amount, date, terms, conditions, denominations, maximum fixed or variable interest rate or rates, maturity or maturities, redemption rights, registration privileges, if any, covenants, and form, including registration as to principal and interest, registration as to principal only, or bearer. Registration may include, but not be limited to: (a) A book entry system of recording the ownership of a bond whether or not physical bonds are issued; or (b) recording the ownership of a bond together with the requirement that the transfer of ownership may only be effected by the surrender of the old bond and either the reissuance of the old bond or the issuance of a new bond to the new owner. Facsimile signatures may be used on the bonds and

any coupons. The maximum term of any special assessment bonds may not exceed thirty years beyond the date of issue. Special assessment bonds issued pursuant to this section may not be an indebtedness of the passenger-only ferry service district issuing the bonds, and the interest and principal on the bonds may only be payable from special assessments made for the improvement for which the bonds were issued and any local improvement guaranty fund that the passenger-only ferry service district has created. The owner or bearer of a special assessment bond or any interest coupon issued pursuant to this section shall not have any claim against the passenger-only ferry service district arising from the bond or coupon except for the payment from special assessments made for the improvement for which the bonds were issued and any local improvement guaranty fund the passenger-only ferry service district has created. The passenger-only ferry service district issuing the special assessment bonds is not liable to the owner or bearer of any special assessment bond or any interest coupon issued pursuant to this section for any loss occurring in the lawful operation of its local improvement guaranty fund. The substance of the limitations included in this subsection must be plainly printed, written, or engraved on each special assessment bond issued pursuant to this section.

(3) Assessments must reflect any credits given by the passenger-only ferry service district for real property or property right donations made pursuant to RCW 47.14.030.

(4) The governing body of the passenger-only ferry service district may establish and pay moneys into a local improvement guaranty fund to guarantee special assessment bonds issued by the passenger-only ferry service district.

**NEW SECTION. Sec. 414.** A new section is added to chapter 36.57A RCW to read as follows:

(1) To carry out the purposes of this chapter, a passenger-only ferry service district may issue general obligation bonds, not to exceed an amount, together with any other outstanding nonvoter-approved general obligation indebtedness, equal to one and one-half percent of the value of the taxable property within the area, as the term "value of the taxable property" is defined in RCW 39.36.015. A passenger-only ferry service district may also issue general obligation bonds for capital purposes only, together with any outstanding general obligation indebtedness, not to exceed an amount equal to five percent of the value of the taxable property within the area, as the term "value of the taxable property" is defined in RCW 39.36.015, when authorized by the voters of the area pursuant to Article VIII, section 6 of the state Constitution.

(2) General obligation bonds with a maturity in excess of twenty-five years may not be issued. The governing body of the passenger-only ferry service district shall by resolution determine for each general obligation bond issue the amount, date, terms, conditions, denominations, maximum fixed or variable interest rate or rates, maturity or maturities, redemption rights, registration privileges, manner of execution, manner of sale, callable provisions, if any, covenants, and form, including registration as to principal and interest, registration as to principal only, or bearer. Registration may include, but not be limited to: (a) A book entry system of recording the ownership of a bond whether or not physical bonds are issued; or (b) recording the ownership of a bond together with the requirement that the transfer of ownership may only be effected by the surrender of the old bond and either the reissuance of the old bond or the issuance of a new bond to the new owner. Facsimile signatures may be used on the bonds and any coupons. Refunding general obligation bonds may be issued in the same manner as general obligation bonds are issued.

(3) Whenever general obligation bonds are issued to fund specific projects or enterprises that generate revenues, charges, user fees, or special assessments, the passenger-only ferry service district may specifically pledge all or a portion of the revenues, charges, user fees,

or special assessments to refund the general obligation bonds. The passenger-only ferry service district may also pledge any other revenues that may be available to the area.

(4) In addition to general obligation bonds, a passenger-only ferry service district may issue revenue bonds to be issued and sold in accordance with chapter 39.46 RCW.

## TOLLING

**NEW SECTION. Sec. 501.** In order to provide funds necessary for the location, design, right-of-way, and construction of the Columbia river crossing project, there shall be issued and sold upon the request of the department of transportation up to six hundred fifty million dollars of toll revenue bonds of the state of Washington in accordance with sections 502 through 505 of this act. Each such bond shall contain a recital that payment or redemption of the bond and payment of the interest and any premium thereon is payable solely from and secured solely by a direct pledge and charge upon toll revenue and is not a general obligation of the state to which the full faith and credit of the state is pledged.

Toll revenue is hereby pledged to the payment of any bonds and the interest thereon issued under the authority of this act, and the legislature agrees to continue to impose or cause to be imposed these toll charges on the Columbia river crossing project, in amounts sufficient to pay, when due, the principal and interest on all bonds issued under the authority of this act.

**NEW SECTION. Sec. 502.** Upon the request of the department of transportation, and in consultation with the tolling authority, the state finance committee shall supervise and provide for the issuance, sale, and retirement of the bonds authorized by this act in accordance with chapter 39.42 RCW. Bonds authorized by this act shall be sold in the manner, at time or times, in amounts, and at the price as the state finance committee shall determine. No bonds may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds.

**NEW SECTION. Sec. 503.** The proceeds from the sale of bonds authorized by this act shall be deposited in the Columbia river crossing project account created under RCW 47.56.894 and shall be available only for the purposes enumerated in section 501 of this act, for the payment of bond anticipation notes or other interim financing, if any, capitalizing interest on the bonds, and for the payment of bond issuance costs, including the costs of underwriting.

**NEW SECTION. Sec. 504.** The state finance committee may determine and include in any resolution authorizing the issuance of any bonds under this act such terms, provisions, covenants, and conditions as it may deem appropriate in order to assist with the marketing and sale of the bonds, confer rights upon the owners of bonds, and safeguard rights of the owners of bonds including, among other things:

(1) Provisions regarding the maintenance and operation of eligible toll facilities;

(2) The pledges, uses, and priorities of application of toll revenue;

(3) Provisions that bonds shall be payable from and secured solely by toll revenue as provided by this act;

(4) In consultation with the department of transportation and the tolling authority, financial covenants requiring that the eligible toll facilities must produce specified coverage ratios of toll revenue to debt service on bonds;

(5) The purposes and conditions that must be satisfied prior to the issuance of any additional bonds that are to be payable from and secured by any toll revenue on an equal basis with previously issued and outstanding bonds payable from and secured by toll revenue;

(6) Provisions that bonds for which any toll revenue are pledged, or for which a pledge of any toll revenue may be reserved, may be structured on a senior, parity, subordinate, or special lien basis in relation to any other bonds for which toll revenue is pledged, with respect to toll revenue only; and

(7) Provisions regarding reserves, credit enhancement, liquidity facilities, and payment agreements with respect to bonds.

Notwithstanding the foregoing, covenants and conditions detailing the character of management, maintenance, and operation of eligible toll facilities, insurance for eligible toll facilities, financial management of toll revenue, and disposition of eligible toll facilities must first be approved by the department of transportation.

The owner of any bond may by mandamus or other appropriate proceeding require and compel performance of any duties imposed upon the tolling authority and the department of transportation and their respective officials, including any duties imposed upon or undertaken by them or by their respective officers, agents, and employees, in connection with the construction, maintenance, and operation of eligible toll facilities and in connection with the collection, deposit, investment, application, and disbursement of the proceeds of the bonds and toll revenue.

**NEW SECTION. Sec. 505.** For the purposes of this act, "toll revenue" means all toll receipts, all interest income derived from the investment of toll receipts, and any gifts, grants, or other funds received for the benefit of transportation facilities in the state, including eligible toll facilities. However, for the purpose of any pledge of toll revenue to the payment of particular bonds issued under this act, "toll revenue" means and includes only such toll revenue or portion thereof that is pledged to the payment of those bonds in the resolution authorizing the issuance of such bonds. Toll revenue constitutes "fees and revenues derived from the ownership or operation of any undertaking, facility, or project" as that phrase is used in Article VIII, section 1(c)(1) of the state Constitution.

For the purposes of this act, "tolling authority" has the same meaning as in RCW 47.56.810.

**Sec. 506.** RCW 47.10.882 and 2011 c 377 s 3 are each amended to read as follows:

The toll facility bond retirement account is created in the state treasury for the purpose of payment of the principal of and interest and premium on bonds. Both principal of and interest on the bonds issued for the purposes of chapter 498, Laws of 2009 (~~and~~), chapter 377, Laws of 2011, and this act shall be payable from the toll facility bond retirement account. The state finance committee may provide that special subaccounts be created in the account to facilitate payment of the principal of and interest on the bonds. The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount required for principal and interest on the bonds in accordance with the bond proceedings.

**Sec. 507.** RCW 47.56.894 and 2012 c 36 s 3 are each amended to read as follows:

(1) A special account to be known as the Columbia river crossing project account is created in the state treasury.

(2) Deposits to the account must include:

(a) All proceeds of bonds and loans issued for the Columbia river crossing project, including any capitalized interest;

(b) All tolls and other revenues received from the operation of the Columbia river crossing project as a toll facility to be deposited at least monthly;

(c) Any interest that may be earned from the deposit or investment of those revenues;

(d) Notwithstanding RCW 47.12.063, proceeds from the sale of any surplus real property acquired for the Columbia river crossing project; and

(e) All damages, liquidated or otherwise, collected under any contract involving the Columbia river crossing project.

(3) Subject to the covenants made by the state in the bond proceedings authorizing the issuance and sale of bonds for the Columbia river crossing project, toll charges, other revenues, and interest received from the operation of the Columbia river crossing project as a toll facility may be used to pay any required costs allowed under RCW 47.56.820. The state treasurer may establish subaccounts for the purpose of segregating toll charges, bond sale proceeds, and other revenues.

**Sec. 508.** RCW 47.56.892 and 2012 c 36 s 4 are each amended to read as follows:

For the Columbia river crossing project, the tolling authority may set, adjust, and review toll rates and may enter into agreements with the Oregon state transportation commission regarding the mutual or joint setting, adjustment, and review of toll rates as the tolling authority may find necessary to carry out the purposes of this section. Any agreement between the tolling authority and the Oregon state transportation commission made pursuant to this section takes effect, and is not binding and enforceable until, thirty days after adjournment of the (~~next ensuing~~) 2013 regular legislative session. If the tolling authority has not entered into an agreement with the Oregon state transportation commission by December 31, 2015, this section expires.

**NEW SECTION. Sec. 509.** Sections 501 through 505 of this act are each added to chapter 47.10 RCW.

## MISCELLANEOUS

**NEW SECTION. Sec. 601.** A new section is added to chapter 47.29 RCW to read as follows:

(1) A Washington electric vehicle infrastructure bank is hereby established. The Washington electric vehicle infrastructure bank shall provide financial assistance for the installation of publicly accessible electric vehicle charging stations within the state.

(2) Electric vehicle infrastructure receiving financial assistance must include both DC fast-charging stations and level 1 or 2 electric vehicle supply equipment. The department must confer with the Washington department of commerce, and seek input from experts representing local government, public utilities, electric vehicle manufacturer representatives, and current Washington state electric vehicle drivers to review information and advise the department on policies and priorities for deployment of public charging station locations.

(3) The department's public-private partnerships office must administer all funds dispersed and received, including any funds received under RCW 46.17.323 and deposited into the transportation innovative partnership account created under RCW 47.29.230. Prior to providing any financial assistance for electric vehicle infrastructure projects, the department must submit a business plan to the house of representatives and senate transportation committees of the legislature and to the governor's office.

(4) Annual progress reports must be transmitted to the legislature and governor as of December 1st of each year.

(5) This section expires July 1, 2023.

**NEW SECTION. Sec. 602.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

**NEW SECTION. Sec. 603.** Sections 101, 102 through 104, 106, 109 through 111, 210, 211, 301 through 306, 401 through 414, 501 through 506, and 508 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately.

**NEW SECTION. Sec. 604.** Sections 107 and 112 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect August 1, 2013.

**NEW SECTION. Sec. 605.** Sections 105 and 201 through 209 of this act take effect July 1, 2015.

**NEW SECTION. Sec. 606.** Section 307 of this act takes effect April 1, 2014.

**NEW SECTION. Sec. 607.** Sections 308 and 309 of this act take effect January 1, 2014.

**NEW SECTION. Sec. 608.** Section 310 of this act takes effect February 1, 2014.

**NEW SECTION. Sec. 609.** Section 507 of this act takes effect if the requirements set out in section 7, chapter 36, Laws of 2012 are met.

**NEW SECTION. Sec. 610.** Section 107 of this act expires on the date the requirements set out in section 7, chapter 36, Laws of 2012 are met.

**NEW SECTION. Sec. 611.** Section 108 of this act takes effect on the date the requirements set out in section 7, chapter 36, Laws of 2012 are met.

**NEW SECTION. Sec. 612.** Sections 101 and 104 of this act expire July 1, 2015.

**NEW SECTION. Sec. 613.** Section 307 of this act expires on the effective date of legislation enacted by the legislature that imposes a vehicle miles traveled fee or tax."

Correct the title.

Representative Nealey moved the adoption of amendment (567) to the striking amendment (531).

On page 30, beginning on line 22 of the striking amendment, strike all of subsection (II)

On page 32, beginning on line 20 of the striking amendment, strike all of section 208

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 32, beginning on line 33 of the striking amendment, strike all of section 210

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representatives Nealey and Orcutt spoke in favor of the adoption of the amendment to the striking amendment.

Representative Clibborn spoke against the adoption of the amendment to the striking amendment.

Amendment (567) to the striking amendment (531) was not adopted.

Representative Orcutt moved the adoption of amendment (558) to the striking amendment (531).

On page 48, after line 23 of the striking amendment, insert the following:

"(6) The proceeds of a vehicle fee imposed by a majority vote of the governing body of a district may only be spent for highway purposes consistent with Article II, section 40 of the state Constitution."

Representative Orcutt spoke in favor of the adoption of the amendment to the striking amendment.

Representative Farrell spoke against the adoption of the amendment to the striking amendment.

Amendment (558) to the striking amendment (531) was not adopted.

Representative Orcutt moved the adoption of amendment (557) to the striking amendment (531).

On page 49, beginning on line 16 of the striking amendment, after "(5)" strike all material through "funds" on line 20, and insert "The net proceeds of a tax imposed under this section"

On page 49, line 22 of the striking amendment, after "roads" insert ", for highway purposes consistent with Article II, section 40 of the state Constitution,"

Representative Orcutt spoke in favor of the adoption of the amendment to the striking amendment.

Representative Farrell spoke against the adoption of the amendment to the striking amendment.

Amendment (557) to the striking amendment (531) was not adopted.

Representative Sawyer moved the adoption of amendment (552) to the striking amendment (531).

On page 53, beginning on line 32 of the striking amendment, after "expires" strike all material through "section" on line 37 and insert "three years after imposition. An establishing transit agency may not reimpose a tax by means of an enhanced public transportation zone"

On page 54, line 7 of the striking amendment, after "authorization" strike "or reauthorization"

On page 54, beginning on line 28 of the striking amendment, after "agency." strike all material through "zone." on line 31

Representatives Sawyer and Clibborn spoke in favor of the adoption of the amendment to the striking amendment.

Representative Orcutt spoke against the adoption of the amendment to the striking amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 46 - YEAS; 45 - NAYS; 6 EXCUSED.

Amendment (552) to the striking amendment (531) was adopted.

Representative Hansen moved the adoption of amendment (569) to the striking amendment (531).

On page 57, line 35 of the striking amendment, after "in" strike "RCW 82.80.030" and insert "section 412 of this act"

On page 58, beginning on line 29 of the striking amendment, strike all of section 412 and insert the following:

**"NEW SECTION. Sec. 412.** A new section is added to chapter 82.80 RCW to read as follows:

(1) Subject to the conditions of this section, a passenger-only ferry service district may fix and impose a parking tax on all persons engaged in a commercial parking business within its respective jurisdiction.

(2) In lieu of the tax in subsection (1) of this section, a passenger-only ferry service district may fix and impose a tax for the act or

privilege of parking a motor vehicle in a facility operated by a commercial parking business.

The passenger-only ferry service district may provide that:

(a) The tax is paid by the operator or owner of the motor vehicle;  
 (b) The tax applies to all parking for which a fee is paid, whether paid or leased, including parking supplied with a lease of nonresidential space;

(c) The tax is collected by the operator of the facility and remitted to the city, county, or passenger-only ferry service district;

(d) The tax is a fee per vehicle or is measured by the parking charge;

(e) The tax rate varies with zoning or location of the facility, the duration of the parking, the time of entry or exit, the type or use of the vehicle, or other reasonable factors; and

(f) Tax exempt carpools, vehicles with handicapped decals, or government vehicles are exempt from the tax.

(3) "Commercial parking business" as used in this section, means the ownership, lease, operation, or management of a commercial parking lot in which fees are charged. "Commercial parking lot" means a covered or uncovered area with stalls for the purpose of parking motor vehicles.

(4) The rate of the tax under subsection (1) of this section may be based either upon gross proceeds or the number of vehicle stalls available for commercial parking use. The rates charged must be uniform for the same class or type of commercial parking business.

(5) The passenger-only ferry service district levying the tax provided for in subsection (1) or (2) of this section may provide for its payment on a monthly, quarterly, or annual basis.

(6) The proceeds of the parking tax imposed by a passenger-only ferry service district under subsection (1) or (2) of this section must be used as provided in section 409 of this act."

Representative Hansen spoke in favor of the adoption of the amendment to the striking amendment.

Representative Orcutt spoke against the adoption of the amendment to the striking amendment.

An electronic roll call was requested

### ROLL CALL

The Clerk called the roll on the adoption of amendment (569) to the striking amendment (531), and the amendment was adopted by the following vote: 55 Yeas: 36 Absent: 0 Excused: 6

Voting yea: Representatives Appleton, Bergquist, Blake, Carlyle, Chopp, Clibborn, Cody, Dunshee, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Hansen, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kirby, Lias, Lytton, Magendanz, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Roberts, Ryu, Santos, Sawyer, Seaquist, Sells, Springer, Stanford, Stonier, Sullivan, Tarleton, Tharinger, Upthegrove, Van De Wege, and Wylie

Voting nay: Representatives Alexander, Angel, Buys, Chandler, Condotta, Dahlquist, DeBolt, Fagan, Haler, Hargrove, Harris, Hawkins, Hayes, Holy, Klippert, Kochmar, Kretz, Kristiansen, MacEwen, Manweller, Nealey, Orcutt, Overstreet, Parker, Pike, Ross, Schmick, Shea, Short, Smith, Taylor, Vick, Walsh, Warnick, Wilcox, and Zeiger

Excused: Representatives Crouse, Hope, Johnson, Rodne, Scott, and Takko

Representative Orcutt moved the adoption of amendment (560) to the striking amendment (531).

On page 66, beginning on line 16 of the striking amendment, after "603." strike all material through "2013." on line 25 and insert "The secretary of state shall submit this act to the people for their adoption and ratification, or rejection, at the next general election to be held in this state, in accordance with Article II, section 1 of the state Constitution and the laws adopted to facilitate its operation."

Re-number the remaining sections consecutively and correct any internal references accordingly.

Representatives Orcutt, Klippert, Magendanz, Orcutt (again) and Chandler spoke in favor of the adoption of the amendment to the striking amendment.

Representatives Lias and Morris spoke against the adoption of the amendment to the striking amendment.

An electronic roll call was requested

### ROLL CALL

The Clerk called the roll on the adoption of amendment (560) to the striking amendment (531), and the amendment was not adopted by the following vote: Yeas: 45 Nays: 46 Absent: 0 Excused: 6

Voting yea: Representatives Alexander, Angel, Blake, Buys, Chandler, Condotta, Dahlquist, DeBolt, Dunshee, Fagan, Haigh, Haler, Hargrove, Harris, Hawkins, Hayes, Holy, Hurst, Kirby, Klippert, Kochmar, Kretz, Kristiansen, MacEwen, Magendanz, Manweller, Morrell, Nealey, Orcutt, Overstreet, Parker, Pike, Ross, Schmick, Seaquist, Shea, Short, Smith, Stonier, Taylor, Vick, Walsh, Warnick, Wilcox, and Zeiger

Voting nay: Representatives Appleton, Bergquist, Carlyle, Chopp, Clibborn, Cody, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Hansen, Hudgins, Hunt, Hunter, Jinkins, Kagi, Lias, Lytton, Maxwell, McCoy, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Roberts, Ryu, Santos, Sawyer, Sells, Springer, Stanford, Sullivan, Tarleton, Tharinger, Upthegrove, Van De Wege, and Wylie

Excused: Representatives Crouse, Hope, Johnson, Rodne, Scott, and Takko

Representative Orcutt moved the adoption of amendment (559) to the striking amendment (531).

On page 66, beginning on line 16 of the striking amendment, strike all of sections 603 and 604

Re-number the remaining sections consecutively and correct any internal references accordingly.

Representatives Orcutt, Wilcox and Shea spoke in favor of the adoption of the amendment to the striking amendment.

Representative Lias spoke against the adoption of the amendment to the striking amendment.

An electronic roll call was requested

### ROLL CALL

The Clerk called the roll on the adoption of amendment (559) to the striking amendment (531), and the amendment was not adopted by the following vote: Yeas: 44 Nays: 47 Absent: 0 Excused: 6

Voting yea: Representatives Alexander, Angel, Buys, Chandler, Condotta, Dahlquist, DeBolt, Dunshee, Fagan, Green,

Haigh, Haler, Hargrove, Harris, Hawkins, Hayes, Holy, Hurst, Klippert, Kochmar, Kretz, Kristiansen, MacEwen, Magendanz, Manweller, Morrell, Nealey, Orcutt, Overstreet, Parker, Pike, Ross, Schmick, Seaquist, Shea, Short, Smith, Stonier, Taylor, Vick, Walsh, Warnick, Wilcox, and Zeiger

Voting nay: Representatives Appleton, Bergquist, Blake, Carlyle, Chopp, Clibborn, Cody, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Habib, Hansen, Hudgins, Hunt, Hunter, Jinkins, Kagi, Kirby, Lias, Lytton, Maxwell, McCoy, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Roberts, Ryu, Santos, Sawyer, Sells, Springer, Stanford, Sullivan, Tarleton, Tharinger, Upthegrove, Van De Wege, and Wylie

Excused: Representatives Crouse, Hope, Johnson, Rodne, Scott, and Takko

Amendment (531) was adopted as amended.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

There being no objection, the House deferred action on ENGROSSED SUBSTITUTE HOUSE BILL NO. 1954, and the bill held its place on the third reading calendar.

There being no objection, the House reverted to the sixth order of business.

## SECOND READING

**HOUSE BILL NO. 1955, by Representatives Clibborn, Moscoso, Fey, Ryu, Riccelli, Farrell, Lias, Pollet, Ormsby, Tarleton, Roberts, Wylie, Morris, Bergquist and Moeller**

### **Concerning additive transportation funding.**

The bill was read the second time.

There being no objection, Substitute House Bill No. 1955 was substituted for House Bill No. 1955 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1955 was read the second time.

Representative Clibborn moved the adoption of amendment (532). *Format changed to accommodate text.*

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** (1) Additive transportation funding is hereby adopted and, subject to the provisions set forth, the several amounts specified, or as much thereof as may be necessary to accomplish the purposes designated, are hereby appropriated from the several accounts and funds named to the designated state agencies and offices for employee compensation and other expenses, for capital projects, and for other specified purposes for the period ending June 30, 2015.

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

(a) "Lapse" means the amount shall return to unappropriated status.

(b) "LEAP" means the legislative evaluation and accountability program committee.

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

### TRANSPORTATION AGENCIES--OPERATING

**Sec. 2.** 2013 c 306 s 208 (uncodified) is amended to read as follows:

#### FOR THE DEPARTMENT OF LICENSING

Marine Fuel Tax Refund Account--State

Appropriation ..... \$34,000

Motorcycle Safety Education Account--State

Appropriation ..... \$4,409,000

State Wildlife Account--State Appropriation ..... \$885,000

Highway Safety Account--State Appropriation..... ~~(\$156,679,000)~~

\$156,817,000

Highway Safety Account--Federal Appropriation..... \$4,392,000

Motor Vehicle Account--State Appropriation ..... ~~(\$76,819,000)~~

\$88,947,000

Motor Vehicle Account--Federal Appropriation ..... \$467,000

Motor Vehicle Account--Private/Local Appropriation ..... \$1,544,000

Ignition Interlock Device Revolving Account--State

Appropriation ..... \$2,656,000

Department of Licensing Services Account--State

Appropriation ..... \$5,959,000

TOTAL APPROPRIATION ..... ~~(\$253,844,000)~~

\$266,110,000

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

(1) \$1,235,000 of the highway safety account--state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 1752), Laws of 2013 (requirements for the operation of commercial motor vehicles in compliance with federal regulations). If chapter . . . (Substitute House Bill No. 1752), Laws of 2013 is not enacted by June 30, 2013, the amount provided in this subsection lapses.

(2) \$1,000,000 of the highway safety account--state appropriation is provided solely for information technology field system modernization.

(3) \$201,000 of the motor vehicle account--state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5152), Laws of 2013 (Sounders FC and Seahawks license plates). If chapter . . . (Substitute Senate Bill No. 5152), Laws of 2013 is not enacted by June 30, 2013, the amount provided in this subsection lapses.

(4) \$425,000 of the highway safety account--state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5182), Laws of 2013 (vehicle owner information). If chapter . . . (Substitute Senate Bill No. 5182), Laws of 2013 is not enacted by June 30, 2013, the amount provided in this subsection lapses.

(5) \$172,000 of the highway safety account--state appropriation is provided solely for the implementation of chapter . . . (Senate Bill No. 5775), Laws of 2013 (veterans/drivers' licenses). If chapter . . . (Senate Bill No. 5775), Laws of 2013 is not enacted by June 30, 2013, the amount provided in this subsection lapses.

(6) \$652,000 of the motor vehicle account--state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute Senate Bill No. 5785), Laws of 2013 (license plates). If chapter . . . (Engrossed Substitute Senate Bill No. 5785), Laws of 2013 is not enacted by June 30, 2013, the amount provided in this subsection lapses.

(7) \$78,000 of the motor vehicle account--state appropriation and \$3,707,000 of the highway safety account--state appropriation are provided solely for the implementation of chapter . . . (Engrossed Substitute Senate Bill No. 5857), Laws of 2013 (vehicle-related fees). If chapter . . . (Engrossed Substitute Senate Bill No. 5857), Laws of 2013 is not enacted by June 30, 2013, the amount provided in this subsection lapses.

(8) The appropriation in this section reflects the department charging an amount sufficient to cover the full cost of providing the data requested under RCW 46.12.630(1)(b).

(9)(a) The department must convene a work group to examine the use of parking placards and special license plates for persons with disabilities and develop a strategic plan for ending any abuse. In developing this plan, the department must work with the department of health, disabled citizen advocacy groups, and representatives from local government.

(b) The work group must be composed of no more than two representatives from each of the entities listed in (a) of this subsection. The work group may, when appropriate, consult with any other public or private entity in order to complete the strategic plan.

(c) The strategic plan must include:

(i) Oversight measures to ensure that parking placards and special license plates for persons with disabilities are being properly issued, including: (A) The entity responsible for coordinating a randomized review of applications for special parking privileges; (B) a volunteer panel of medical professionals to conduct such reviews; (C) a means to protect the anonymity of both the medical professional conducting a review and the medical professional under review; (D) a means to protect the privacy of applicants by removing any personally identifiable information; and (E) possible sanctions against a medical professional for repeated improper issuances of parking placards or special license plates for persons with disabilities, including those sanctions listed in chapter 18.130 RCW; and

(ii) The creation of a publicly accessible system in which the validity of parking placards and special license plates for persons with disabilities may be verified. This system must not allow the public to access any personally identifiable information or protected health information of a person who has been issued a parking placard or special license plate.

(d) The work group must convene by July 1, 2013, and terminate by December 1, 2013.

(e) By December 1, 2013, the work group must deliver to the legislature and the appropriate legislative committees the strategic plan required under this subsection, together with its findings, recommendations, and any necessary draft legislation in order to implement the strategic plan.

(10) \$3,082,000 of the highway safety account--state appropriation is provided solely for exam and licensing activities, including the workload associated with providing driver record abstracts, and is subject to the following additional conditions and limitations:

(a) The department may furnish driving record abstracts only to those persons or entities expressly authorized to receive the abstracts under Title 46 RCW;

(b) The department may furnish driving record abstracts only for an amount that does not exceed the specified fee amounts in RCW 46.52.130 (2)(e)(v) and (4); and

(c) The department may not enter into a contract, or otherwise participate in any arrangement, with a third party or other state agency for any service that results in an additional cost, in excess of the fee amounts specified in RCW 46.52.130 (2)(e)(v) and (4), to statutorily authorized persons or entities purchasing a driving record abstract.

(11) \$7,414,000 of the motor vehicle account--state appropriation is provided solely for replacing prorated and fuel tax computer systems used to administer interstate licensing and the collection of fuel tax revenues.

(12) \$4,714,000 of the motor vehicle account--state appropriation and \$138,000 of the highway safety account--state appropriation are provided solely for the administration of the tax and fee changes required by the enactment of either chapter . . . (Substitute House Bill No. 1954), Laws of 2013 2nd sp. sess. or chapter . . . (Senate Bill No. 5920), Laws of 2013 2nd sp. sess.

Sec. 3. 2013 c 306 s 214 (uncodified) is amended to read as follows:

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

Motor Vehicle Account--State Appropriation .....	\$570,000
Connecting Washington Account--State Appropriation.....	\$6,000,000
<b>TOTAL APPROPRIATION.....</b>	<b>\$6,570,000</b>

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

(1) The legislature finds that the efforts started in the 2011-2013 fiscal biennium regarding the transition to a road usage charge system represent an important first step in the policy and conceptual development of potential alternative systems to fund transportation projects, but that the governance for the development needs clarification. The legislature also finds that significant amounts of research and public education are occurring in similar efforts in several states and that these efforts can and should be leveraged to advance the evaluation in Washington. The legislature intends, therefore, that the transportation commission and its staff lead the policy development of the business case for a road usage charge system, with the goal of providing the business case to the governor and the legislative committees of the legislature in time for inclusion in the 2014 supplemental omnibus transportation appropriations act. The legislature intends for additional oversight in the business case development, with guidance from a steering committee as provided in chapter 86, Laws of 2012 for the transportation commission, augmented with participation by the joint transportation committee. The legislature further intends that, through the economic partnerships program, the department continue to address administrative, technical, and conceptual operational issues related to road usage charge systems, and that the department serve as a resource for information gleaned from other states on this topic for the transportation commission's efforts.

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

(3)(a) \$6,000,000 of the connecting Washington account--state appropriation is provided solely to capitalize the Washington electric vehicle infrastructure bank for the purpose of providing revolving loans.

(b) Prior to providing any financial assistance for electric vehicle infrastructure projects, the department must submit a business plan to the house of representatives and senate transportation committees and to the governor's office. Expenditures for development of the business plan must not exceed thirty-five thousand dollars.

(c) Annual progress reports must be transmitted to the legislature and governor by December 1, 2013, and December 1, 2014.

Sec. 4. 2013 c 306 s 215 (uncodified) is amended to read as follows:

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

Highway Safety Account--State Appropriation.....	\$10,000,000
Motor Vehicle Account--State Appropriation .....	\$390,040,000
Motor Vehicle Account--Federal Appropriation .....	\$7,000,000
Connecting Washington Account--State Appropriation.....	\$35,100,000
<b>TOTAL APPROPRIATION.....</b>	<b>(\$407,040,000)</b>
<u>\$442,140,000</u>	

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

(1) \$377,779,000 of the motor vehicle account--state appropriation and \$10,000,000 of the highway safety account--state appropriation are provided solely for the maintenance program to achieve specific levels of service on the thirty maintenance targets listed by statewide priority in

LEAP Transportation Document 2013-4 as developed April 23, 2013. Beginning in February 2014, the department shall report to the legislature annually on its updated maintenance accountability process targets and whether or not the department was able to achieve its targets.

(2) \$8,450,000 of the motor vehicle account--state appropriation is provided solely for the department's compliance with its national pollution discharge elimination system permit.

(3) \$1,305,000 of the motor vehicle account--state appropriation is provided solely for utility fees assessed by local governments as authorized under RCW 90.03.525 for the mitigation of storm water runoff from state highways.

(4) The department shall submit a budget decision for the 2014 legislative session package that details all costs associated with utility fees assessed by local governments as authorized under RCW 90.03.525.

(5) \$50,000 of the motor vehicle account--state appropriation is provided solely for clearing and pruning dangerous trees along state route number 542 between mile markers 43 and 48 to prevent safety hazards and delays.

(6) \$2,277,000 of the motor vehicle account--state appropriation is provided solely to replace or rehabilitate critical equipment needed to perform snow and ice removal activities and roadway maintenance. These funds may not be used to purchase passenger cars as defined in RCW 46.04.382.

**Sec. 5.** 2013 c 306 s 218 (uncodified) is amended to read as follows:

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

Motor Vehicle Account--State Appropriation .....		\$20,109,000
Motor Vehicle Account--Federal Appropriation .....		\$24,885,000
Multimodal Transportation Account--State		
Appropriation .....		\$662,000
Multimodal Transportation Account--Federal		
Appropriation .....		\$2,809,000
Multimodal Transportation Account--Private/Local		
Appropriation .....		\$100,000
<u>Connecting</u>	<u>Washington</u>	<u>Account--State</u>
<u>Appropriation</u> .....		<u>\$190,000</u>
TOTAL APPROPRIATION .....		<del>(\$48,565,000)</del>
<u>\$48,755,000</u>		

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

(1) Within available resources, the department must collaborate with the affected metropolitan planning organizations, regional transportation organizations, transit agencies, and private transportation providers to develop a plan to reduce vehicle demand, increase public transportation options, and reduce vehicle miles traveled on corridors affected by growth at Joint Base Lewis-McChord.

(2) \$190,000 of the connecting Washington account--state appropriation is provided solely for the regional transportation planning organizations across the state to continue the implementation of forward Washington.

**Sec. 6.** 2013 c 306 s 220 (uncodified) is amended to read as follows:

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

State Vehicle Parking Account--State Appropriation .....		\$452,000
Regional Mobility Grant Program Account--State		
Appropriation .....		\$49,948,000
Rural Mobility Grant Program Account--State		
Appropriation .....		\$17,000,000
Multimodal Transportation Account--State		
Appropriation .....		<del>(\$39,057,000)</del>
<u>\$89,057,000</u>		
Multimodal Transportation Account--Federal		
Appropriation .....		\$3,280,000
TOTAL APPROPRIATION .....		<del>(\$109,737,000)</del>
<u>\$159,737,000</u>		

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

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

(a) \$5,500,000 of the multimodal transportation account--state appropriation is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers must be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided.

(b) \$19,500,000 of the multimodal transportation account--state appropriation is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must, to the greatest extent practicable, have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies must be prorated based on the amount expended for demand response service and route deviated service in calendar year 2011 as reported in the "Summary of Public Transportation - 2011" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions.

(2) \$17,000,000 of the rural mobility grant program account--state appropriation is provided solely for grants to aid small cities in rural areas as prescribed in RCW 47.66.100.

(3)(a) \$6,000,000 of the multimodal transportation account--state appropriation is provided solely for a vanpool grant program for: (a) Public transit agencies to add vanpools or replace vans; and (b) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; operating costs for public transit agencies are not eligible for funding under this grant

program. Additional employees may not be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. The department shall encourage grant applicants and recipients to leverage funds other than state funds.

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

(c) \$520,000 of the amount provided in this subsection is provided solely for the purchase of additional vans for use by vanpools serving soldiers and civilian employees at Joint Base Lewis-McChord.

(4) \$9,948,000 of the regional mobility grant program account-- state appropriation is reappropriated and provided solely for the regional mobility grant projects identified in LEAP Transportation Document 2013-2 ALL PROJECTS - Public Transportation - Program (V) as developed April 23, 2013.

(5)(a) \$40,000,000 of the regional mobility grant program account-- state appropriation is provided solely for the regional mobility grant projects identified in LEAP Transportation Document 2013-2 ALL PROJECTS - Public Transportation - Program (V) as developed April 23, 2013. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, must be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and any remaining funds must be used only to fund projects identified in the LEAP transportation document referenced in this subsection. The department shall provide annual status reports on December 15, 2013, and December 15, 2014, to the office of financial management and the transportation committees of the legislature regarding the projects receiving the grants. It is the intent of the legislature to appropriate funds through the regional mobility grant program only for projects that will be completed on schedule. A grantee may not receive more than twenty- five percent of the amount appropriated in this subsection. The department shall not approve any increases or changes to the scope of a project for the purpose of a grantee expending remaining funds on an awarded grant.

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2013-2015 fiscal biennium, a transit agency must establish a process for private transportation providers to apply for the use of park and ride facilities. For purposes of this subsection, (i) "private transportation provider" means: An auto transportation company regulated under chapter 81.68 RCW; a passenger charter carrier regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; a private nonprofit transportation provider regulated under chapter 81.66 RCW; or a private employer transportation service provider; and (ii) "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees.

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

(7) \$6,122,000 of the total appropriation in this section is provided solely for CTR grants and activities. Of this amount:

(a) \$3,900,000 of the multimodal transportation account--state appropriation is provided solely for grants to local jurisdictions, selected by the CTR board, for the purpose of assisting employers meet CTR goals;

(b) \$1,770,000 of the multimodal transportation account--state appropriation is provided solely for state costs associated with CTR. The department shall develop more efficient methods of CTR assistance and survey procedures; and

(c) \$452,000 of the state vehicle parking account--state appropriation is provided solely for CTR-related expenditures, including all expenditures related to the guaranteed ride home program and the STAR pass program.

(8) An affected urban growth area that has not previously implemented a commute trip reduction program as of the effective date of this section is exempt from the requirements in RCW 70.94.527.

(9) \$200,000 of the multimodal transportation account--state appropriation is contingent on the timely development of an annual report summarizing the status of public transportation systems as identified under RCW 35.58.2796.

(10) \$50,000,000 of the multimodal transportation account--state appropriation is provided solely for, and is intended to continue to be used in future biennia for the purpose of completing, the projects listed in LEAP Transportation Document 2013-L2 TRANSIT PROJECTS, as developed June 23, 2013.

Sec. 7. 2013 c 306 s 223 (uncodified) is amended to read as follows:

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

Motor Vehicle Account--State Appropriation .....	(( <del>\$8,737,000</del> ))
<u>\$8,762,000</u>	
Motor Vehicle Account--Federal Appropriation .....	\$2,567,000
TOTAL APPROPRIATION .....	(( <del>\$11,304,000</del> ))
<u>\$11,329,000</u>	

The appropriations in this section are subject to the following conditions and limitations: \$25,000 of the motor vehicle account-- state appropriation is provided solely to Wahkiakum county for additional operating and maintenance costs of the Puget Island-Westport ferry.

**TRANSPORTATION AGENCIES--CAPITAL**

Sec. 8. 2013 c 306 s 301 (uncodified) is amended to read as follows:

**FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

Freight Mobility Investment Account--State	
Appropriation .....	\$11,794,000
Freight Mobility Multimodal Account--State	
Appropriation .....	\$9,736,000
Freight Mobility Multimodal Account--Private/Local	
Appropriation .....	\$1,320,000

Highway Safety Account--State Appropriation.....	\$2,450,000
Motor Vehicle Account--State Appropriation .....	\$84,000
Motor Vehicle Account--Federal Appropriation .....	\$3,250,000
<b>Multimodal</b>	<b>Transportation</b>
<b>Account--State</b>	<b>Account--State</b>
<u>Appropriation .....</u>	<u>\$6,500,000</u>
TOTAL APPROPRIATION.....	(\$28,634,000)
<u>\$35,134,000</u>	

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

(1) Except as provided otherwise in this section, the total appropriation in this section is provided solely for the implementation of chapter . . . (Substitute House Bill No. 1256), Laws of 2013 (addressing project selection by the freight mobility strategic investment board). If chapter . . . (Substitute House Bill No. 1256), Laws of 2013 is not enacted by June 30, 2013, the amounts provided in this section lapse.

(2) \$6,500,000 of the multimodal transportation account--state appropriation is provided solely to help address bottlenecks and for other roadway improvements that would benefit freight movement.

**Sec. 9.** 2013 c 306 s 305 (uncodified) is amended to read as follows:

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

Transportation Partnership Account--State	
Appropriation.....	\$13,425,000
Motor Vehicle Account--State Appropriation .....	(\$8,106,000)
<u>\$13,106,000</u>	
TOTAL APPROPRIATION.....	(\$21,531,000)
<u>\$26,531,000</u>	

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

(1) The legislature recognizes that the Marginal Way site (King county parcel numbers 3024049182 & 5367202525) is surplus state-owned real property under the jurisdiction of the department and that the public would benefit significantly if this site is used to provide important social services. Therefore, the legislature declares that committing the Marginal Way site to this use is consistent with the public interest.

Pursuant to RCW 47.12.063, the department shall work with the owner of King county parcel number 7643400010, which abuts both parcels of the Marginal Way site, and shall convey the Marginal Way site to that abutting property owner for the appraised fair market value of the parcels, the proceeds of which must be deposited in the motor vehicle fund. The conveyance is conditional upon the purchaser's agreement to commit the use of the Marginal Way site to operations with the goal of ending hunger in western Washington. The department may not make this conveyance before September 1, 2013, and may not make this conveyance after January 15, 2014.

The Washington department of transportation is not responsible for any costs associated with the cleanup or transfer of the Marginal Way site.

(2) \$13,425,000 of the transportation partnership account--state appropriation is provided solely for the construction of a new traffic management and emergency operations center on property owned by the department on Dayton Avenue in Shoreline (project 100010T). Consistent with the office of financial management's 2012 study, it is the intent of the legislature to appropriate no more than \$15,000,000 for the total construction costs. The department shall report to the transportation committees of the legislature and the office of financial management by June 30, 2014, on the progress of the construction of the traffic management and emergency operations center, including a schedule for terminating the current lease of the Goldsmith building in Seattle.

(3) \$5,000,000 of the motor vehicle account--state appropriation is provided solely for the planning and design work necessary to consolidate and expand the existing maintenance facility at Corson Avenue South in Seattle, Washington. The office of financial management shall hold this amount in unallotted status until the transfer authorized in subsection (1) of this section is completed.

**Sec. 10.** 2013 c 306 s 306 (uncodified) is amended to read as follows:

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

Multimodal Transportation Account--State	
Appropriation.....	\$1,000,000
Transportation Partnership Account--State	
Appropriation.....	\$1,536,032,000
Motor Vehicle Account--State Appropriation .....	\$61,508,000
Motor Vehicle Account--Federal Appropriation .....	\$473,359,000
Motor Vehicle Account--Private/Local Appropriation.....	\$208,452,000
Transportation 2003 Account (Nickel Account)--State	
Appropriation.....	\$242,253,000
State Route Number 520 Corridor Account--State	
Appropriation.....	\$737,205,000
State Route Number 520 Corridor Account--Federal	
Appropriation.....	\$300,000,000
Special Category C Account--State Appropriation .....	\$124,000
<u>Connecting Washington Account--State Appropriation.....</u>	<u>\$534,400,000</u>
<u>Connecting Washington Account--Federal Appropriation.....</u>	<u>\$101,400,000</u>
TOTAL APPROPRIATION.....	(\$3,559,933,000)
<u>\$4,195,733,000</u>	

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

(1) Except as provided otherwise in this section, the entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document 2013-1 as developed April 23, 2013, Program - Highway Improvement Program (I). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 603 of this act.

(2) Except as provided otherwise in this section, the entire motor vehicle account--state appropriation and motor vehicle account--federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document 2013-2 ALL PROJECTS as developed April 23, 2013, Program - Highway Improvement Program (I). It is the intent of the legislature to direct the department to give first priority of federal funds gained through efficiencies or the redistribution process to the "Contingency (Unfunded) Highway Preservation Projects" as identified in LEAP Transportation Document 2013-2 ALL PROJECTS as developed April 23, 2013, Program - Highway Preservation Program (P). However, no additional federal funds may be allocated to the I-5/Columbia River Crossing project (400506A).

(3) Within the motor vehicle account--state appropriation and motor vehicle account--federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act.

(4) The transportation 2003 account (nickel account)--state appropriation includes up to \$217,604,000 in proceeds from the sale of bonds authorized by RCW 47.10.861.

(5) The transportation partnership account--state appropriation includes up to \$1,156,217,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(6) The motor vehicle account--state appropriation includes up to \$30,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.843.

(7) The connecting Washington account--state appropriation includes up to \$389,639,000 in proceeds from the sale of bonds authorized in chapter . . . (Substitute House Bill No. 1956), Laws of 2013 2nd sp. sess. or chapter . . . (Senate Bill No. 5922), Laws of 2013 2nd sp. sess. or other legislation authorizing the sale of bonds to be deposited in the connecting Washington account.

(8) (a) \$5,000,000 of the motor vehicle account--federal appropriation and \$200,000 of the motor vehicle account--state appropriation are provided solely for the I-90 Comprehensive Tolling Study and Environmental Review project (100067T). The department shall prepare a detailed environmental impact statement that complies with the national environmental policy act regarding tolling Interstate 90 between Interstate 5 and Interstate 405 for the purposes of both managing traffic and providing funding for the construction of the unfunded state route number 520 from Interstate 5 to Medina project. As part of the preparation of the statement, the department must review any impacts to the network of highways and roads surrounding Lake Washington. In developing this statement, the department must provide significant outreach to potential affected communities. The department may consider traffic management options that extend as far east as Issaquah.

(b)(i) As part of the project in this subsection (8), the department shall perform a study of all funding alternatives to tolling Interstate 90 to provide funding for construction of the unfunded state route number 520 and explore and evaluate options to mitigate the effect of tolling on affected residents and all other users of the network of highways and roads surrounding Lake Washington including, but not limited to:

(A) Allowing all Washington residents to traverse a portion of the tolled section of Interstate 90 without paying a toll. Residents may choose either (I) the portion of Interstate 90 between the easternmost landing west of Mercer Island and the westernmost landing on Mercer Island, or (II) the portion of Interstate 90 between the westernmost landing east of Mercer Island and the easternmost landing on Mercer Island;

(B) Assessing a toll only when a driver traverses, in either direction, the entire portion of Interstate 90 between the easternmost landing west of Mercer Island and the westernmost landing east of Mercer Island; and

(C) Allowing affected residents to choose one portion of the tolled section of Interstate 90 upon which they may travel without paying a toll. Residents may choose either (I) the portion of Interstate 90 between the easternmost landing west of Mercer Island and the westernmost landing on Mercer Island, or (II) the portion of Interstate 90 between the westernmost landing east of Mercer Island and the easternmost landing on Mercer Island.

(ii) The department may also consider any alternative mitigation options that conform to the purpose of this subsection (8) .

(iii) For the purposes of this subsection (8), "affected resident" means anyone who must use a portion of Interstate 90 west of Interstate 405 upon which tolling is considered in order to access necessary medical services, such as a hospital.

(9) \$541,901,000 of the transportation partnership account--state appropriation, \$144,954,000 of the motor vehicle account--federal appropriation, \$129,779,000 of the motor vehicle account--private/local appropriation, and \$78,004,000 of the transportation 2003 account (nickel account)--state appropriation are provided solely for the SR 99/Alaskan Way Viaduct - Replacement project (809936Z).

(10) The department shall reconvene an expert review panel of no more than three members as described under RCW 47.01.400 for the purpose of updating the work that was previously completed by the panel on the Alaskan Way viaduct replacement project and to ensure that an appropriate and viable financial plan is created and regularly reviewed. The expert review panel must be selected cooperatively by the chairs of the senate and house of representatives transportation committees, the secretary of transportation, and the governor. The expert review panel must report findings and recommendations to the transportation committees of the legislature, the governor's Alaskan Way viaduct project oversight committee, and the transportation commission annually until the project is operationally complete. This subsection takes effect if chapter . . . (Substitute House Bill No. 1957), Laws of 2013 2nd sp. sess. is not enacted by June 30, 2013.

(11) \$7,408,000 of the transportation partnership account--state appropriation, \$14,594,000 of the transportation 2003 account (nickel account)--state appropriation, \$3,730,000 of the motor vehicle account--state appropriation, \$1,000,000 of the multimodal transportation account--state appropriation, and \$41,395,000 of the motor vehicle account--federal appropriation are provided solely for the US 395/North Spokane Corridor projects (600010A & 600003A). Any future savings on the projects must stay on the US 395/Interstate 90 corridor and be made available to the current phase of the North Spokane corridor projects or any future phase of the projects.

(12) \$114,369,000 of the transportation partnership account--state appropriation and \$53,755,000 of the transportation 2003 account (nickel account)--state appropriation are provided solely for the I-405/Kirkland Vicinity Stage 2 - Widening project (8BI1002). This project must be completed as soon as practicable as a design-build project. Any future savings on this project or other Interstate 405 corridor projects must stay on the Interstate 405 corridor and be made available to either the I-405/SR 167 Interchange - Direct Connector project (140504C) or the I-405 Renton to Bellevue project.

(13)(a) The SR 520 Bridge Replacement and HOV project (0BI1003) is supported over time from multiple sources, including a \$300,000,000 TIFIA loan, \$819,524,625 in Garvee bonds, toll revenues, state bonds, interest earnings, and other miscellaneous sources.

(b) The state route number 520 corridor account--state appropriation includes up to \$668,142,000 in proceeds from the sale of bonds authorized in RCW 47.10.879 and 47.10.886.

(c) The state route number 520 corridor account--federal appropriation includes up to \$300,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.879 and 47.10.886.

(d) \$153,124,000 of the transportation partnership account--state appropriation, \$300,000,000 of the state route number 520 corridor account--federal appropriation, and \$737,205,000 of the state route number 520 corridor account--state appropriation are provided solely for the SR 520 Bridge Replacement and HOV project (0BI1003). Of the amounts appropriated in this subsection (13)(d), \$105,085,000 of the state route number 520 corridor account--federal appropriation and \$227,415,000 of the state route number 520 corridor account--state appropriation must be put into unallotted status and are subject to review by the office of financial management. The director of the office of financial management shall consult with the joint transportation committee prior to making a decision to allot these funds.

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

(14) \$1,100,000 of the motor vehicle account--federal appropriation is provided solely for the 31st Ave SW Overpass Widening and Improvement project (L1100048).

(15) \$22,602,000 of the motor vehicle account--state appropriation is provided solely to advance the design, preliminary engineering, and rights-of-way acquisition for the priority projects identified in LEAP Transportation Document 2013-3 as developed April 23, 2013. Funds must be used to advance the emergent, initial development of these projects for the purpose of expediting delivery of the associated major investments when funding for such investments becomes available. Funding may be reallocated between projects to maximize the accomplishment of design and preliminary engineering work and rights-of-way acquisition, provided that all projects are addressed. It is the intent of the legislature that, while seeking to maximize the outcomes in this section, the department shall provide for continuity of both the state and consulting engineer workforce, while strategically utilizing private sector involvement to ensure consistency with the department's business plan for staffing in the highway construction program in the current fiscal biennium.

(16) If a planned roundabout in the vicinity of state route number 526 and 84th Street SW would divert commercial traffic onto neighborhood streets, the department may not proceed with improvements at state route number 526 and 84th Street SW until the traffic impacts in the vicinity of state route number 526 and 40th Avenue West are addressed.

(17) The legislature finds that there are sixteen companies involved in wood preserving in the state that employ four hundred workers and have an annual payroll of fifteen million dollars. Prior to the department's switch to steel guardrails, ninety percent of the twenty-five hundred mile guardrail system was constructed of preserved wood and one hundred ten thousand wood guardrail posts were produced annually for state use. Moreover, the policy of using steel posts requires the state to use imported steel. Given these findings, where practicable, and until June 30, 2015, the department shall include the design option to use wood guardrail posts, in addition to steel posts, in new guardrail installations. The selection of posts must be consistent with the agency design manual policy that existed before December 2009.

(18) The legislature finds that "right-sizing" is a lean, metric-based approach to determining project investments. This concept entails compromise between project cost and design, incorporating local community needs, desired outcomes, and available funding. Furthermore, the legislature finds that the concepts and principles the department has utilized in the safety analyst program have been effective tools to prioritize projects and reduce project costs. Therefore, the department shall establish a pilot project on the SR 3/Belfair Bypass - New Alignment (300344C) to begin implementing the concept of "right-sizing" in the highway construction program.

(19) For urban corridors that are all or partially within a metropolitan planning organization boundary, for which the department has not initiated environmental review, and that require an environmental impact statement, at least one alternative must be consistent with the goals set out in RCW 47.01.440.

(20) The department shall itemize all future requests for the construction of buildings on a project list and submit them through the transportation executive information system as part of the department's 2014 budget submittal. It is the intent of the legislature that new facility construction must be transparent and not appropriated within larger highway construction projects.

(21) \$28,963,000 of the motor vehicle account--state appropriation is provided solely for improvement program support activities (095901X). \$18,000,000 of this amount must be held in unallotted status until the office of financial management certifies that the department's 2014 supplemental budget request conforms to the terms of subsection (20) of this section.

~~((23))~~ (22) Any new advisory group that the department convenes during the 2013-2015 fiscal biennium must be representative of the interests of the entire state of Washington.

(23)(a) Except as otherwise provided in this section, the entire connecting Washington account--state appropriation is provided solely for the Program I projects and activities listed in LEAP Transportation Document 2013-L1, as developed June 23, 2013, and is subject to the limitations in chapter . . . (Substitute House Bill No. 1957), Laws of 2013 2nd sp. sess.

(b) \$100,000,000 of the connecting Washington account--state appropriation is provided solely for the SR 509/I-5/SR 167 Freight Corridor project (M00600R). The secretary of transportation must work with the freight mobility strategic investment board to ensure that the project is a priority project within the state freight mobility plan required under the federal moving ahead for progress in the 21st century act.

(c) \$200,000 of the connecting Washington account--state appropriation is provided solely for the study of the state route number 162 and state route number 410 corridors (L1100068). The study must look at state route number 162 and state route number 410 and their relationship to state route number 167, corridor improvements to accommodate planned growth, and the identification of multimodal options to alleviate congestion and transit demands in eastern Pierce county communities.

(d) \$200,000 of the connecting Washington account--state appropriation is provided solely for the department to study the feasibility of added high occupancy vehicles lanes on Interstate 5 between Joint Base Lewis-McChord and South 38th Street in Tacoma (L1100069). The study must include a cost estimate and be submitted to the transportation committees of the legislature by January 2015.

(e) In the development of projects within the US 395/North Spokane corridor, the associated planning staff shall review the department's project design plans in any draft environmental impact statement for conformance with the following legislative goals regarding the final design for additional projects within the corridor:

(i) Minimization of the project impact on surrounding neighborhoods, including minimizing any increases in additional traffic volumes through such neighborhoods; and

(ii) Incorporation of the recommendations of a health impact assessment to calculate the project's impact on air quality, carbon emissions, and

other public health issues, conducted by the Spokane regional transportation council and the Spokane county public health department.

(24)(a) \$26,000,000 of the connecting Washington account--state appropriation is provided solely for storm water retrofits, including enhanced treatment retrofits, to build on and expand the department's storm water program. In completing storm water retrofits, the department shall use low-impact development (LID) techniques when feasible. Advance treatment and LID storm water retrofits shall be integrated with improvement project life-cycle, ranking, and construction, where such retrofits geographically coincide with planned improvement projects. To accomplish this directive, the department must develop LID retrofit project lists and incorporate project lists into relevant capital plans. The department must consult with the Washington state department of ecology to certify that the retrofit projects have high water quality and environmental benefits.

(b) The department, in consultation with the Washington state department of ecology, shall develop comprehensive criteria to coordinate, rate, and rank improvement projects and storm water retrofit projects. The system must be designed to provide a funding preference to LID retrofit projects that reduce water pollution from existing transportation infrastructure.

(c) The department must incorporate statewide storm water retrofit project lists into ten-year capital project plans and create a biennial project list for the design and construction of LID storm water retrofit projects. The department will coordinate the design and construction of improvement and storm water retrofit projects to ensure efficient and effective use of funds. By December 31, 2013, and biennially thereafter, the department shall provide to the legislature a storm water retrofit project list to maintain and enhance the capacity of the department's storm water program and construct LID retrofits. The department must also provide a report regarding how much funding is allocated to improvement and storm water retrofit projects, identifying the water quality and environmental benefits created from the storm water projects, and summarizing how improvement and storm water retrofit projects are coordinated and integrated.

(25) \$161,000,000 of the connecting Washington account--state appropriation and \$101,400,000 of the connecting Washington account--federal appropriation are provided solely for the I-5/Columbia River crossing project (M00200R). It is the intent of the legislature that no amounts other than the amounts provided in this subsection be expended for the I-5/Columbia River crossing project until the following requirements are met: (a) The United States coast guard approves the I-5/Columbia River crossing project's permit; and (b) C- TRAN and TriMet enter into the necessary agreement or agreements for the ownership, operations, and maintenance of the light rail service to be jointly provided by C-TRAN and TriMet upon the completion of the I- 5/Columbia River crossing project, which agreement or agreements must ensure that C-TRAN is not responsible for any preexisting debt, pensions, or other obligations of TriMet and that C-TRAN only pays for the operations and maintenance of the light rail service from Vancouver, Washington to the Washington border.

(26) The department shall prioritize storm water retrofit projects based on the projected benefit for compliance with the department's national pollution discharge elimination system permit.

(27) \$20,000,000 of the connecting Washington account--state appropriation is provided solely for the purposes of removing fish passage barriers related to the transportation system that are identified by the department pursuant to any legal obligation.

**Sec. 11.** 2013 c 306 s 307 (unmodified) is amended to read as follows:

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

Transportation Partnership Account--State

Appropriation.....	\$36,480,000
Highway Safety Account--State Appropriation.....	\$10,000,000
Motor Vehicle Account--State Appropriation.....	\$58,503,000
Motor Vehicle Account--Federal Appropriation.....	\$580,062,000
Motor Vehicle Account--Private/Local Appropriation.....	\$11,270,000
Transportation 2003 Account (Nickel Account)--State	
Appropriation.....	\$2,285,000
<u>Connecting Washington Account--State Appropriation.....</u>	<u>\$115,100,000</u>
TOTAL APPROPRIATION.....	<del>(\$698,600,000)</del>
<u>\$813,700,000</u>	

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

(1) Except as provided otherwise in this section, the entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document 2013-1 as developed April 23, 2013, Program - Highway Preservation Program (P). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 603 of this act.

(2) Except as provided otherwise in this section, the entire motor vehicle account--state appropriation and motor vehicle account--federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document 2013-2 ALL PROJECTS as developed April 23, 2013, Program - Highway Preservation Program (P). It is the intent of the legislature to direct the department to give first priority of federal funds gained through efficiencies or the redistribution process to the "Contingency (Unfunded) Highway Preservation Projects" as identified in LEAP Transportation Document 2013-2 ALL PROJECTS as developed April 23, 2013, Program - Highway Preservation Program (P). However, no additional federal funds may be allocated to the I-5/Columbia River Crossing project (400506A).

(3) Within the motor vehicle account--state appropriation and motor vehicle account--federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act.

(4) \$27,278,000 of the motor vehicle account--federal appropriation and \$1,141,000 of the motor vehicle account--state appropriation are provided solely for the SR 167/Puyallup River Bridge Replacement project (316725A). This project must be completed as a design-build project. The department must work with local jurisdictions and the community during the environmental review process to develop appropriate esthetic design elements, at no additional cost to the department, and traffic management plans pertaining to this project. The department must report to the transportation committees of the legislature on estimated cost and/or time savings realized as a result of using the design-build process.

(5) The department shall examine the use of electric arc furnace slag for use as an aggregate for new roads and paving projects in high traffic areas and report back to the legislature on its current use in other areas of the country and any characteristics that can provide greater wear resistance and skid resistance in new pavement construction.

(6) It is the intent of the legislature that sufficient funds be spent on highway bridge preservation to achieve a statewide bridge condition in excess of ninety-seven percent fair and good.

(7) The entire connecting Washington account--state appropriation is provided solely for the Program P projects and activities listed in LEAP Transportation Document 2013-L1, as developed June 23, 2013, and is subject to the limitations in chapter . . . (Substitute House Bill No. 1957), Laws of 2013 2nd sp. sess.

**Sec. 12.** 2013 c 306 s 309 (uncodified) is amended to read as follows:

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

Puget Sound Capital Construction Account--State	
Appropriation .....	\$53,036,000
Puget Sound Capital Construction Account--Federal	
Appropriation .....	\$91,692,000
Puget Sound Capital Construction Account--Private/Local	
Appropriation .....	\$1,145,000
Multimodal Transportation Account--State Appropriation .....	\$1,534,000
Transportation 2003 Account (Nickel Account)--State	
Appropriation .....	\$143,941,000
Connecting Washington Account--State Appropriation .....	<u>\$132,200,000</u>
<b>TOTAL APPROPRIATION .....</b>	<b><del>(\$291,348,000)</del></b>
<u>\$423,548,000</u>	

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed in LEAP Transportation Document 2013-2 ALL PROJECTS as developed April 23, 2013, Program - Washington State Ferries Capital Program (W).

(2) The Puget Sound capital construction account--state appropriation includes up to \$20,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.843.

(3) \$143,633,000 of the transportation 2003 account (nickel account)--state appropriation is provided solely for the acquisition of two 144-car vessels (projects L2200038 and L2200039). The department shall use as much already procured equipment as practicable on the 144- car vessels.

(4) \$8,270,000 of the Puget Sound capital construction account-- federal appropriation, \$3,935,000 of the Puget Sound capital construction account--state appropriation, and \$1,534,000 of the multimodal transportation account--state appropriation are provided solely for the Mukilteo ferry terminal (project 952515P). To the greatest extent practicable, the department shall seek additional federal funding for this project.

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

(6) Consistent with RCW 47.60.662, which requires the Washington state ferry system to collaborate with passenger-only ferry and transit providers to provide service at existing terminals, the department shall ensure that multimodal access, including for passenger-only ferries and transit service providers, is not precluded by any future modifications at the terminal.

(7) \$3,800,000 of the Puget Sound capital construction account-- state appropriation is provided solely for the reservation and communications system projects (L200041 & L200042).

(8) \$4,210,000 of the Puget Sound capital construction account-- state appropriation is provided solely for the capital program share of \$7,259,000 in lease payments for the ferry division's headquarters building. Consistent with the 2012 facilities oversight plan, the department shall strive to consolidate office space in downtown Seattle by the end of 2015. The department shall consider renewing the lease for the ferry division's current headquarters building only if the lease rate is reduced at least fifty percent and analysis shows that this is the least cost and risk option for the department. Consolidation with other divisions or state agencies, or a reduction in leased space, must also be considered as part of any headquarters lease renewal analysis.

(9) \$21,950,000 of the total appropriation is for preservation work on the Hyak super class vessel (project 944431D), including installation of a power management system and more efficient propulsion systems, that in combination are anticipated to save up to twenty percent in fuel and reduce maintenance costs. Upon completion of this project, the department shall provide a report to the transportation committees of the legislature on the fuel and maintenance savings achieved for this vessel and the potential to save additional funds through other vessel conversions.

(10)(a) The entire connecting Washington account--state appropriation is provided solely for the Program W projects and activities listed in LEAP Transportation Document 2013-L1, as developed June 23, 2013, and is subject to the limitations in chapter . . . (Substitute House Bill No. 1957), Laws of 2013 2nd sp. sess.

(b) \$110,300,000 of the connecting Washington account--state appropriation is provided solely for the purposes of constructing a ferry boat vessel with a carrying capacity of at least one hundred forty-four cars (ONRC017).

(c) \$21,900,000 of the connecting Washington account--state appropriation is provided solely for the Mukilteo and Seattle terminal replacement projects of the Washington state ferry system (NMUKTML and NSTMLRE). The amount provided in this subsection represents the first portion of a ten-year state funding plan as described in LEAP Transportation Document 2013-L1, as developed June 23, 2013. This LEAP transportation document identifies: (i) \$119,000,000 in state funds to be provided over ten years to complete the Mukilteo terminal replacement project; and (ii) \$278,200,000 in state funds to be provided over ten years for substantial advancement of the Seattle terminal replacement project, including: (A) Design work and selection of a preferred plan; (B) replacing timber pilings with pilings sufficient to support a selected terminal design; (C) replacing the timber portion of the dock with a new and reconfigured steel and concrete dock; and (D) other staging and construction work as the amount allows.

**Sec. 13.** 2013 c 306 s 310 (uncodified) is amended to read as follows:

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

Essential Rail Assistance Account--State

Appropriation ..... ((\$861,000))  
\$3,061,000

Transportation Infrastructure Account--State

Appropriation ..... \$8,582,000

Multimodal Transportation Account--State

Appropriation ..... ((\$33,156,000))  
\$40,156,000

Multimodal Transportation Account--Federal

Appropriation ..... \$333,881,000

TOTAL APPROPRIATION ..... ((\$376,480,000))  
\$385,680,000

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

(1)(a) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document 2013-2 ALL PROJECTS as developed April 23, 2013, Program - Rail Capital Program (Y).

(b) Within the amounts provided in this section, \$7,332,000 of the transportation infrastructure account--state appropriation is for low-interest loans through the freight rail investment bank program identified in the LEAP transportation document referenced in (a) of this subsection. The department shall issue freight rail investment bank program loans with a repayment period of no more than ten years, and only so much interest as is necessary to recoup the department's costs to administer the loans.

(c) Within the amounts provided in this section, \$2,439,000 of the multimodal transportation account--state appropriation, \$1,250,000 of the transportation infrastructure account--state appropriation, and \$311,000 of the essential rail assistance account--state appropriation are for statewide emergent freight rail assistance projects identified in the LEAP transportation document referenced in (a) of this subsection.

(2) Unsuccessful 2012 freight rail assistance program grant applicants may be awarded freight rail investment bank program loans, if eligible. If any funds remain in the freight rail investment bank or freight rail assistance program reserves (projects F01001A and F01000A), or any approved grants or loans are terminated, the department shall issue a call for projects for the freight rail investment bank loan program and the freight rail assistance grant program, and shall evaluate the applications in a manner consistent with past practices as specified in section 309, chapter 367, Laws of 2011. By November 1, 2013, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

(3) \$314,647,000 of the multimodal transportation account--federal appropriation and \$4,867,000 of the multimodal transportation account--state appropriation are provided solely for expenditures related to passenger high-speed rail grants. The multimodal transportation account--state appropriation funds reflect one and one-half percent of the total project funds, and are provided solely for expenditures that are not eligible for federal reimbursement.

(4) As allowable under federal rail authority rules and existing competitive bidding practices, when purchasing new train sets, the department shall give preference to bidders that propose train sets with characteristics and maintenance requirements most similar to those currently owned by the department.

(5) The department shall provide quarterly reports to the office of financial management and the transportation committees of the legislature regarding applications that the department submits for federal funds and the status of such applications.

(6)(a) \$550,000 of the essential rail assistance account--state appropriation and \$1,893,000 of the multimodal transportation account-- state appropriation are provided solely for the purpose of rehabilitation and maintenance of the Palouse river and Coulee City railroad line. The department shall complete an evaluation and assessment of future maintenance needs on the line to ensure appropriate levels of state investment.

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

(i) Revenues deposited into the essential rail assistance account from leases and sale of property pursuant to RCW 47.76.290; and

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

(7) \$31,500,000 of the multimodal transportation account--federal appropriation is provided solely for the purchase of two new train sets for the state-supported intercity passenger rail service. The department must apply for any federal waivers required to purchase the new train sets, as allowable under existing competitive bidding practices, and seek federal funds in addition to those available from the high-speed rail grants.

(8)(a) \$7,000,000 of the multimodal transportation account--state appropriation is provided solely for reliability and slope stabilization projects on the Cascades passenger rail corridor (L1100070).

(b) \$2,200,000 of the essential rail assistance account--state appropriation is provided solely for newly selected projects for the freight rail assistance program (L1100072).

(c) The amounts provided in this subsection (8) are provided solely for the Program Y projects and activities listed in LEAP Transportation Document 2013-L1, as developed June 23, 2013, and are subject to the limitations in chapter . . . (Substitute House Bill No. 1957), Laws of 2013 2nd sp. sess.

**Sec. 14.** 2013 c 306 s 311 (uncodified) is amended to read as follows:

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

Highway Infrastructure Account--State Appropriation ..... \$207,000

Highway Infrastructure Account--Federal

Appropriation ..... \$1,602,000

Freight Mobility Investment Account--State

Appropriation ..... \$11,794,000

Transportation Partnership Account--State

Appropriation.....	\$7,214,000
Highway Safety Account--State Appropriation.....	\$11,255,000
Motor Vehicle Account--State Appropriation.....	\$6,918,000
Motor Vehicle Account--Federal Appropriation.....	\$28,413,000
Freight Mobility Multimodal Account--State Appropriation.....	\$9,736,000
Freight Mobility Multimodal Account--Private/Local Appropriation.....	\$1,320,000
Multimodal Transportation Account--State Appropriation.....	(\$13,913,000)
<u>\$73,198,000</u>	
<u>Pedestrian, Bicycle, and Safe Routes to School Account--State Appropriation.....</u>	<u>\$21,000,000</u>
TOTAL APPROPRIATION.....	(\$92,372,000)
<u>\$172,657,000</u>	

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document 2013-2 ALL PROJECTS as developed April 23, 2013, Program - Local Programs (Z).

(2) With each department budget submittal, the department shall provide an update on the status of the repayment of the twenty million dollars of unobligated federal funds authority advanced by the department in September 2010 to the city of Tacoma for the Murray Morgan/11th Street bridge project. The department may negotiate with the city of Tacoma an agreement for repayment of the funds over a period of up to twenty-five years at terms agreed upon by the department and the city. The funds previously advanced by the department to the city are not to be considered a general obligation of the city but instead an obligation payable from identified revenues set aside for the repayment of the funds.

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

(a) \$12,160,000 of the multimodal transportation account--state appropriation, \$6,824,000 of the transportation partnership account-- state appropriation, and \$62,000 of the motor vehicle account--federal appropriation are provided solely for pedestrian and bicycle safety program projects.

(b) \$11,700,000 of the motor vehicle account--federal appropriation, \$5,200,000 of the motor vehicle account--state appropriation, and \$6,750,000 of the highway safety account--state appropriation are provided solely for newly selected safe routes to school projects, and \$3,400,000 of the motor vehicle account--federal appropriation and \$2,055,000 of the highway safety account--state appropriation are reappropriated for safe routes to school projects selected in the previous biennia. The amount provided for new projects is consistent with federal funding levels from the 2011-2013 omnibus transportation appropriations act and the intent of the fee increases in chapter 74, Laws of 2012 and chapter 80, Laws of 2012. ~~((The motor vehicle account state appropriation in this subsection (3)(b) is the amount made available by the repeal of the deduction from motor vehicle fuel tax liability for handling losses of motor vehicle fuel, as identified in chapter . . . (Substitute House Bill No. 2041), Laws of 2013 (handling losses of motor vehicle fuel). If chapter . . . (Substitute House Bill No. 2041), Laws of 2013 is not enacted by June 30, 2013, the motor vehicle account state appropriation in this subsection (3)(b) lapses.))~~

(4) \$84,000 of the motor vehicle account--state appropriation, \$3,250,000 of the motor vehicle account--federal appropriation, \$2,450,000 of the highway safety account--state appropriation, \$11,794,000 of the freight mobility investment account--state appropriation, \$9,736,000 of the freight mobility multimodal account-- state appropriation, and \$1,320,000 of the freight mobility multimodal account--private/local appropriation are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document 2013-B as developed April 23, 2013. If chapter . . . (Substitute House Bill No. 1256), Laws of 2013 is enacted by June 30, 2013, the amounts provided in this subsection lapse.

(5) The department may enter into contracts and make expenditures for projects on behalf of and selected by the freight mobility strategic investment board from the amounts provided in section 301 of this act.

(6) The department shall submit a report to the transportation committees of the legislature by December 1, 2013, and December 1, 2014, on the status of projects funded as part of the pedestrian safety/safe routes to school grant program (OLP600P). The report must include, but is not limited to, a list of projects selected and a brief description of each project's status.

(7) \$50,000 of the motor vehicle account--state appropriation is provided solely for the installation of a guard rail on Deer Harbor Road in San Juan county (L2220054).

(8) \$16,800,000 of the multimodal transportation account--state appropriation is provided solely for grants to local governments under the complete streets grant program (L1100073). Of the amounts provided in this subsection (8), \$3,300,000 is provided solely for the Mountlake Terrace main street project.

(9)(a) \$21,000,000 of the pedestrian, bicycle, and safe routes to school account--state appropriation is provided solely for, and is intended to continue to be used in future biennia for the purpose of, newly selected projects for the pedestrian and bicycle safety program (L1100074). The amount provided in this subsection (9)(a) is for the projects listed in LEAP Transportation Document 2013-L3, as developed June 23, 2013, Pedestrian and Bicycle Safety Projects.

(b) The amount appropriated in this subsection from the pedestrian, bicycle, and safe routes to school account--state appropriation for newly selected pedestrian and bicycle safety program projects is to be considered in addition to and is not intended to supplant the level of funding for the programs as was enacted in chapter 86, Laws of 2012.

(c) In addition to the amount provided in this subsection for newly selected pedestrian and bicycle safety program projects, it is the intent of the legislature that the \$5,200,000 of the motor vehicle account--state appropriation for newly selected safe routes to school projects in chapter 306, Laws of 2013 continue to be used in future biennia for the purpose of newly selected safe routes to school projects.

(10) The amounts provided in subsections (8) and (9) of this section are provided solely for the Program Z projects and activities listed in

LEAP Transportation Document 2013-L1, as developed June 23, 2013, and are subject to the limitations in chapter . . . (Substitute House Bill No. 1957), Laws of 2013 2nd sp. sess.

**TRANSFERS AND DISTRIBUTIONS**

**Sec. 15.** 2013 c 306 s 401 (uncodified) is amended to read as follows:

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

Transportation Partnership Account--State	
Appropriation .....	\$10,406,000
Motor Vehicle Account--State Appropriation .....	\$450,000
State Route Number 520 Corridor Account--State	
Appropriation .....	\$3,866,000
Highway Bond Retirement Account--State	
Appropriation .....	(\$1,074,580,000)
	<u>\$1,122,374,000</u>
Ferry Bond Retirement Account--State Appropriation .....	\$31,824,000
Transportation Improvement Board Bond Retirement Account--State Appropriation .....	
	\$16,267,000
Nondebt-Limit Reimbursable Bond Retirement Account--State	
Appropriation .....	\$25,825,000
Toll Facility Bond Retirement Account--State	
Appropriation .....	\$52,050,000
Toll Facility Bond Retirement Account--Federal	
Appropriation .....	\$64,982,000
Transportation 2003 Account (Nickel Account)--State	
Appropriation .....	\$1,958,000
Special Category C Account--State Appropriation .....	\$2,000
<u>Connecting Washington Account--State Appropriation .....</u>	<u>\$3,507,000</u>
TOTAL APPROPRIATION .....	(\$1,282,210,000)
	<u>\$1,333,511,000</u>

**Sec. 16.** 2013 c 306 s 402 (uncodified) is amended to read as follows:

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

Transportation Partnership Account--State	
Appropriation .....	\$1,156,000
Motor Vehicle Account--State Appropriation .....	\$50,000
State Route Number 520 Corridor Account--State	
Appropriation .....	\$531,000
Transportation 2003 Account (Nickel Account)--State	
Appropriation .....	\$218,000
<u>Connecting Washington Account--State Appropriation .....</u>	<u>\$389,000</u>
TOTAL APPROPRIATION .....	(\$1,955,000)
	<u>\$2,344,000</u>

**Sec. 17.** 2013 c 306 s 408 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER: FOR DISTRIBUTION TO TRANSIT ENTITIES**

Public Transportation Grant Program Account--State	
Appropriation .....	\$26,000,000
<u>Multimodal</u>	<u>Transportation</u>
Appropriation .....	<u>Account--State</u>
	<u>\$20,000,000</u>
TOTAL	APPROPRIATION
<u>\$46,000,000</u>	

The appropriations in this section ((4s)) are subject to the following conditions and limitations:

- (1) One-eighth of the appropriation in this section must be distributed quarterly to transit authorities according to the distribution formula in subsection (2) of this section. Funding must be used for operations.
- (2) Of the amounts provided in subsection (1) of this section:
  - (a) One-third must be distributed based on vehicle miles of service provided;
  - (b) One-third must be distributed based on the number of vehicle hours of service provided; and
  - (c) One-third must be distributed based on the number of passenger trips.
- (3) For the purposes of this section:
  - (a) "Transit authorities" has the same meaning as in RCW 9.91.025(2)(c).

(b) "Vehicle miles of service," "vehicle hours of service," and "passenger trips" are transit service metrics as reported by the public transportation program of the department of transportation in the annual report required in RCW 35.58.2796 for calendar year 2011.

### MISCELLANEOUS

**NEW SECTION. Sec. 18.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2013.

**NEW SECTION. Sec. 19.** If neither chapter . . . (Substitute House Bill No. 1954), Laws of 2013 2nd sp. sess. nor chapter . . . (Senate Bill No. 5920), Laws of 2013 2nd sp. sess. is enacted by July 31, 2013, the appropriations in this act are null and void."

Correct the title.

Representative Nealey moved the adoption of amendment (566) to the striking amendment (532).

On page 8, beginning on line 13 of the striking amendment, strike all of section 6

Re-number the remaining sections consecutively and correct any internal references accordingly.

On page 23, line 25 of the striking amendment, increase the Motor Vehicle Account--State Appropriation by \$5,200,000

On page 23, after line 30 of the striking amendment, insert the following:

"Multimodal Transportation Account--State Appropriation . . . . \$82,800,000"

On page 23, line 32 of the striking amendment, correct the total

On page 25, after line 10 of the striking amendment, insert the following:

"(8) \$5,200,000 of the motor vehicle account--state appropriation and \$82,800,000 of the multimodal transportation account--state appropriation are provided solely for, and are intended to continue to be used in future biennia for the purpose of, highway preservation activities."

On page 30, beginning on line 23 of the striking amendment, strike all of section 14

Re-number the remaining sections consecutively and correct any internal references accordingly.

Representatives Nealey and Wilcox spoke in favor of the adoption of the amendment to the striking amendment.

Representative Liias spoke against the adoption of the amendment to the striking amendment.

Amendment (566) to the striking amendment (532) was not adopted.

Representative Habib moved the adoption of amendment (543) to the striking amendment (532).

On page 21, line 1 of the striking amendment, after "June 23, 2013" insert ", and for the SR 520/148th Avenue NE Overlake Access Ramp project and the SR 520 Regional Trail Grade Separation at NE 40th Street project"

Representative Habib spoke in favor of the adoption of the amendment to the striking amendment.

Representative Orcutt spoke against the adoption of the amendment to the striking amendment.

Amendment (543) to the striking amendment (532) was adopted.

Representative Hunt moved the adoption of amendment (554) to the striking amendment (532).

On page 21, line 1 of the striking amendment, after "June 23, 2013" insert ", and for the Interstate 5/Marvin Road/SR 510 Interchange project"

Representative Hunt and Hunt (again) spoke in favor of the adoption of the amendment to the striking amendment.

Representative Orcutt spoke against the adoption of the amendment to the striking amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 54 - YEAS; 37 - NAYS; 6 - EXCUSED.

Amendment (554) to the striking amendment (532) was adopted.

Representative Vick moved the adoption of amendment (547) to the striking amendment (532).

On page 22, line 37 of the striking amendment, after "(M00200R)," insert: "The office of financial management shall place the amounts provided in this subsection in unallotted status. The office may allot the funds only if the bridge design is modified to include a clearance height between the bridge deck and the Columbia river that accommodates all current commercial river users."

Representatives Vick and Orcutt spoke in favor of the adoption of the amendment to the striking amendment.

Representative Clibborn spoke against the adoption of the amendment to the striking amendment.

An electronic roll call was requested.

### ROLL CALL

The Clerk called the roll on the adoption of amendment (547) to the striking amendment (532), and the amendment was not adopted by the following vote: Yeas: 38 Nays: 53 Absent: 0 Excused: 6

Voting yea: Representatives Alexander, Angel, Buys, Chandler, Condotta, Dahlquist, DeBolt, Fagan, Haler, Hargrove, Harris, Hawkins, Hayes, Holy, Klippert, Kochmar, Kretz, Kristiansen, MacEwen, Magendanz, Manweller, Nealey, Orcutt, Overstreet, Parker, Pike, Ross, Schmick, Shea, Short, Smith, Stonier, Taylor, Vick, Walsh, Warnick, Wilcox, and Zeiger

Voting nay: Representatives Appleton, Bergquist, Blake, Carlyle, Chopp, Clibborn, Cody, Dunshee, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Hansen, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kirby, Lias, Lytton, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Roberts, Ryu, Santos, Sawyer, Seaquist, Sells, Springer, Stanford, Sullivan, Tarleton, Tharinger, Upthegrove, Van De Wege, and Wylie

Excused: Representatives Crouse, Hope, Johnson, Rodne, Scott, and Takko

Representative Harris moved the adoption of amendment (548) to the striking amendment (532).

On page 22, line 37 of the striking amendment, after "(M00200R)," insert "The office of financial management shall place the amounts provided in this subsection in unallotted status. The office may allot the funds only if a final design for the I-5/Columbia River crossing project has been approved by the secretary of transportation in Washington and the Oregon transportation commission, and the final design excludes any light rail facilities."

Representatives Harris and Orcutt spoke in favor of the adoption of the amendment to the striking amendment.

Representative Wylie spoke against the adoption of the amendment to the striking amendment.

An electronic roll call was requested.

#### ROLL CALL

The Clerk called the roll on the adoption of amendment (548) to the striking amendment (532), and the amendment was not adopted by the following vote: Yeas: 38 Nays: 53 Absent: 0 Excused: 6

Voting yea: Representatives Alexander, Angel, Buys, Chandler, Condotta, Dahlquist, DeBolt, Fagan, Haler, Hargrove, Harris, Hawkins, Hayes, Holy, Klippert, Kochmar, Kretz, Kristiansen, MacEwen, Magendanz, Manweller, Nealey, Orcutt, Overstreet, Parker, Pike, Ross, Schmick, Shea, Short, Smith, Stonier, Taylor, Vick, Walsh, Warnick, Wilcox, and Zeiger

Voting nay: Representatives Appleton, Bergquist, Blake, Carlyle, Chopp, Clibborn, Cody, Dunshee, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Hansen, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kirby, Lias, Lytton, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Roberts, Ryu, Santos, Sawyer, Seaquist, Sells, Springer, Stanford, Sullivan, Tarleton, Tharinger, Upthegrove, Van De Wege, and Wylie

Excused: Representatives Crouse, Hope, Johnson, Rodne, Scott, and Takko

Representative Pike moved the adoption of amendment (549) to the striking amendment (532).

On page 22, line 37 of the striking amendment, after "(M00200R)," insert "The office of financial management shall place the amounts provided in this subsection in unallotted status. The office may allot the funds only if a plan for the funding and operation of any light rail facility that is part of the final design for the I-5/Columbia River crossing project has been adopted by the board of directors of the public transportation benefit area in Washington within which the project is located."

Representative Pike spoke in favor of the adoption of the amendment to the striking amendment.

Representative Clibborn spoke against the adoption of the amendment to the striking amendment.

An electronic roll call was requested.

#### ROLL CALL

The Clerk called the roll on the adoption of amendment (549) to the striking amendment (532), and the amendment was not adopted by the following vote: Yeas: 37 Nays: 54 Absent: 0 Excused: 6

Voting yea: Representatives Alexander, Angel, Buys, Chandler, Condotta, Dahlquist, DeBolt, Fagan, Haler, Hargrove, Harris, Hawkins, Hayes, Holy, Klippert, Kochmar, Kretz, Kristiansen, MacEwen, Magendanz, Manweller, Nealey, Orcutt, Parker, Pike, Ross, Schmick, Shea, Short, Smith, Stonier, Taylor, Vick, Walsh, Warnick, Wilcox, and Zeiger

Voting nay: Representatives Appleton, Bergquist, Blake, Carlyle, Chopp, Clibborn, Cody, Dunshee, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Hansen, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kirby, Lias, Lytton, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Ormsby, Orwall, Overstreet, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Roberts, Ryu, Santos, Sawyer, Seaquist, Sells, Springer, Stanford, Sullivan, Tarleton, Tharinger, Upthegrove, Van De Wege, and Wylie

Excused: Representatives Crouse, Hope, Johnson, Rodne, Scott, and Takko

Representative Orcutt moved the adoption of amendment (556) to the striking amendment (532).

On page 22, beginning on line 37 of the striking amendment, after "(M00200R)," strike all material through "until" on page 23, line 1 and insert "The office of financial management shall place the amounts provided in this subsection in unallotted status. The office may allot the funds only if"

Representatives Orcutt and Wilcox spoke in favor of the adoption of the amendment to the striking amendment.

Representative Lias spoke against the adoption of the amendment to the striking amendment.

An electronic roll call was requested.

#### ROLL CALL

The Clerk called the roll on the adoption of amendment (556) to the striking amendment (532), and the amendment was not adopted by the following vote: Yeas: 38 Nays: 53 Absent: 0 Excused: 6

Voting yea: Representatives Alexander, Angel, Buys, Chandler, Condotta, Dahlquist, DeBolt, Fagan, Haler, Hargrove, Harris, Hawkins, Hayes, Holy, Klippert, Kochmar, Kretz, Kristiansen, MacEwen, Magendanz, Manweller, Nealey, Orcutt, Overstreet, Parker, Pike, Ross, Schmick, Shea, Short, Smith, Stonier, Taylor, Vick, Walsh, Warnick, Wilcox, and Zeiger

Voting nay: Representatives Appleton, Bergquist, Blake, Carlyle, Chopp, Clibborn, Cody, Dunshee, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Hansen, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kirby, Lias, Lytton,

Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Roberts, Ryu, Santos, Sawyer, Seaquist, Sells, Springer, Stanford, Sullivan, Tarleton, Tharinger, Upthegrove, Van De Wege, and Wylie

Excused: Representatives Crouse, Hope, Johnson, Rodne, Scott, and Takko

Representative Nealey moved the adoption of amendment (565) to the striking amendment (532).

On page 23, line 30 of the striking amendment, increase the Connecting Washington Account--State Appropriation by \$33,300,000

On page 23, line 32 of the striking amendment, correct the total

On page 25, after line 10 of the striking amendment, insert the following:

"(8) \$33,300,000 of the connecting Washington account--state appropriation is provided solely for, and is intended to continue to be used in future biennia for the purpose of, highway preservation activities in addition to those listed in LEAP Transportation Document 2013-L1, as developed June 23, 2013."

Representatives Nealey and Moscoso spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (565) was adopted.

Representative Fitzgibbon moved the adoption of amendment (553) to the striking amendment (532).

On page 31, line 6 of the striking amendment, increase the Multimodal Transportation Account--State Appropriation by \$16,075,000

On page 31, line 10 of the striking amendment, correct the total

On page 33, after line 32 of the striking amendment, insert the following:

"(11) \$1,000,000 of the multimodal transportation account--state appropriation is provided solely for the Northrup way connection to the SR 520 trail project."

(12) \$150,000 of the multimodal transportation account--state appropriation is provided solely for the SR 99/SR 516 missing sidewalk project.

(13) \$1,115,000 of the multimodal transportation account--state appropriation is provided solely for the south 228th street roadway project.

(14) \$1,437,000 of the multimodal transportation account--state appropriation is provided solely for the Pacific highway east (SR 99) pedestrian and bicycle safety improvements project.

(15) \$1,197,000 of the multimodal transportation account--state appropriation is provided solely for the James street bicycle corridor project.

(16) \$176,000 of the multimodal transportation account--state appropriation is provided solely for the Kent regional trails connector project.

(17) \$1,000,000 of the multimodal transportation account--state appropriation is provided solely for the lake-to-sound trail, segment B construction project.

(18) \$1,297,000 of the multimodal transportation account--state appropriation is provided solely for the cross Kirkland corridor project.

(19) \$735,000 of the multimodal transportation account--state appropriation is provided solely for the 112th avenue southeast pedestrian improvements project.

(20) \$600,000 of the multimodal transportation account--state appropriation is provided solely for the 6th avenue south (multi-use trail) Spokane street to E-3 busway project.

(21) \$2,000,000 of the multimodal transportation account--state appropriation is provided solely for the center city cycle track project.

(22) \$500,000 of the multimodal transportation account--state appropriation is provided solely for the Elliott Bay trail emergency repair project.

(23) \$500,000 of the multimodal transportation account--state appropriation is provided solely for the Holgate bike and stairway safety improvement project.

(24) \$1,000,000 of the multimodal transportation account--state appropriation is provided solely for the Lake City way pedestrian safety improvements project.

(25) \$500,000 of the multimodal transportation account--state appropriation is provided solely for the Rainier avenue pedestrian safety improvements project.

(26) \$500,000 of the multimodal transportation account--state appropriation is provided solely for the west Seattle bridge trail upgrades, crossing, safety, surfacing project.

(27) \$635,000 of the multimodal transportation account--state appropriation is provided solely for the Westlake cycle track project.

(28) \$600,000 of the multimodal transportation account--state appropriation is provided solely for the 1st avenue northeast and 6th avenue northeast Shoreline project.

(29) \$638,000 of the multimodal transportation account--state appropriation is provided solely for the pedestrian-bicycle Snoqualmie river bridge project.

(30) \$195,000 of the multimodal transportation account--state appropriation is provided solely for the Boeing access road corridor study and Ryan way improvements project.

(31) \$300,000 of the multimodal transportation account--state appropriation is provided solely for the SR 900/68th avenue south sidewalk improvements project."

Representative Fitzgibbon spoke in favor of the adoption of the amendment to the striking amendment.

Representative Orcutt spoke against the adoption of the amendment to the striking amendment.

Amendment (553) was adopted.

Representative Orcutt moved the adoption of amendment (562) to the striking amendment (532).

On page 35, beginning on line 33 of the striking amendment, after "18." strike all material through "2013." on page 36, line 2 and insert "The secretary of state shall submit this act to the people for their adoption and ratification, or rejection, at the next general election to be held in this state, in accordance with Article II, section 1 of the state Constitution and the laws adopted to facilitate its operation."

Representatives Orcutt, Shea and Orcutt (again) spoke in favor of the adoption of the amendment to the striking amendment.

Representative Liias spoke against the adoption of the amendment to the striking amendment.

An electronic roll call was requested.

## ROLL CALL

The Clerk called the roll on the adoption of amendment (562) to the striking amendment (532), and the amendment was not adopted by the following vote: Yeas: 44 Nays: 47 Absent: 0 Excused: 6

Voting yea: Representatives Alexander, Angel, Buys, Chandler, Condotta, Dahlquist, DeBolt, Dunshee, Fagan, Green, Haigh, Haler, Hargrove, Harris, Hawkins, Hayes, Holy, Hurst, Klippert, Kochmar, Kretz, Kristiansen, MacEwen, Magendanz, Manweller, Morrell, Nealey, Orcutt, Overstreet, Parker, Pike, Ross, Schmick, Seaquist, Shea, Short, Smith, Stonier, Taylor, Vick, Walsh, Warnick, Wilcox, and Zeiger

Voting nay: Representatives Appleton, Bergquist, Blake, Carlyle, Chopp, Clibborn, Cody, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Habib, Hansen, Hudgins, Hunt, Hunter, Jinkins, Kagi, Kirby, Lias, Lytton, Maxwell, McCoy, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Roberts, Ryu, Santos, Sawyer, Sells, Springer, Stanford, Sullivan, Tarleton, Tharinger, Upthegrove, Van De Wege, and Wylie

Excused: Representatives Crouse, Hope, Johnson, Rodne, Scott, and Takko

Representative Orcutt moved the adoption of amendment (561) to the striking amendment (532).

On page 35, beginning on line 33 of the striking amendment, strike all of section 18

Re-number the remaining sections consecutively and correct any internal references accordingly.

Representative Orcutt spoke in favor of the adoption of the amendment to the striking amendment.

Representative Lias spoke against the adoption of the amendment to the striking amendment.

An electronic roll call was requested.

### ROLL CALL

The Clerk called the roll on the adoption of amendment (561) to the striking amendment (532), and the amendment was not adopted by the following vote: Yeas: 43 Nays: 48 Absent: 0 Excused: 6

Voting yea: Representatives Alexander, Angel, Buys, Chandler, Condotta, Dahlquist, DeBolt, Fagan, Green, Haigh, Haler, Hargrove, Harris, Hawkins, Hayes, Holy, Hurst, Klippert, Kochmar, Kretz, Kristiansen, MacEwen, Magendanz, Manweller, Morrell, Nealey, Orcutt, Overstreet, Parker, Pike, Ross, Schmick, Seaquist, Shea, Short, Smith, Stonier, Taylor, Vick, Walsh, Warnick, Wilcox, and Zeiger

Voting nay: Representatives Appleton, Bergquist, Blake, Carlyle, Chopp, Clibborn, Cody, Dunshee, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Habib, Hansen, Hudgins, Hunt, Hunter, Jinkins, Kagi, Kirby, Lias, Lytton, Maxwell, McCoy, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Roberts, Ryu, Santos, Sawyer, Sells, Springer, Stanford, Sullivan, Tarleton, Tharinger, Upthegrove, Van De Wege, and Wylie

Excused: Representatives Crouse, Hope, Johnson, Rodne, Scott, and Takko

Amendment (532) was adopted as amended.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

There being no objection, the House deferred action on ENGROSSED SUBSTITUTE HOUSE BILL NO. 1955, and the bill held its place on the third reading calendar.

There being no objection, the House advanced to the eighth order of business.

There being no objection, the Committee on Rules was relieved of ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1872 and the bill was placed on the third reading calendar.

There being no objection, the House reverted to the sixth order of business.

### SECOND READING

#### HOUSE BILL NO. 2079, by Representative Dunshee

#### Concerning the environmental legacy stewardship account.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representative Dunshee spoke in favor of the passage of the bill.

Representative Short spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of House Bill No. 2079.

### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2079, and the bill passed the House by the following vote: Yeas, 56; Nays, 34; Absent, 0; Excused, 7.

Voting yea: Representatives Appleton, Bergquist, Blake, Carlyle, Clibborn, Cody, Dunshee, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Hansen, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kirby, Kochmar, Lias, Lytton, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Roberts, Ryu, Santos, Sawyer, Seaquist, Sells, Springer, Stanford, Stonier, Sullivan, Tarleton, Tharinger, Upthegrove, Van De Wege, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Alexander, Angel, Buys, Chandler, Condotta, Dahlquist, DeBolt, Fagan, Haler, Harris, Hawkins, Hayes, Holy, Klippert, Kretz, Kristiansen, MacEwen, Magendanz, Manweller, Nealey, Orcutt, Overstreet, Parker, Pike, Ross, Schmick, Shea, Short, Smith, Taylor, Vick, Walsh, Warnick and Wilcox.

Excused: Representatives Crouse, Hargrove, Hope, Johnson, Rodne, Scott and Takko.

HOUSE BILL NO. 2079, having received the necessary constitutional majority, was declared passed.

There being no objection, the House advanced to the seventh order of business.

### THIRD READING

**ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1872, by House Committee on Appropriations (originally sponsored by Representatives Maxwell, Dahlquist, Lytton, Sullivan, McCoy, Upthegrove, Bergquist, Seaquist, Morrell, Wylie, Goodman, Ryu, Tarleton, Tharinger, Springer, Stonier, Jinkins, Orwall, Pollet, Fey, Hansen, Liias and Freeman).**

**Establishing a comprehensive initiative to increase learning opportunities and improve educational outcomes in science, technology, engineering, and mathematics through multiple strategies and statewide partnerships.**

The bill was read the third time.

Representative Maxwell spoke in favor of the passage of the bill.

Representative Dahlquist spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1872.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1872, and the bill passed the House by the following vote: Yeas, 58; Nays, 32; Absent, 0; Excused, 7.

Voting yea: Representatives Appleton, Bergquist, Blake, Carlyle, Clibborn, Cody, Dunshee, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Habib, Haigh, Haler, Hansen, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kirby, Klippert, Liias, Lytton, MacEwen, Magendanz, Maxwell, McCoy, Moeller, Morrell, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Riccelli, Roberts, Ryu, Santos, Sawyer, Seaquist, Sells, Springer, Stanford, Stonier, Sullivan, Tarleton, Tharinger, Upthegrove, Van De Wege, Wylie and Mr. Speaker.

Voting nay: Representatives Alexander, Angel, Buys, Chandler, Condotta, Dahlquist, DeBolt, Fagan, Harris, Hawkins, Hayes, Holy, Kochmar, Kretz, Kristiansen, Manweller, Nealey, Orcutt, Overstreet, Parker, Pike, Ross, Schmick, Shea, Short, Smith, Taylor, Vick, Walsh, Warnick, Wilcox and Zeiger.

Excused: Representatives Crouse, Hargrove, Hope, Johnson, Rodne, Scott and Takko.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1872, having received the necessary constitutional majority, was declared passed.

There being no objection, the House reverted to the fourth order of business.

### INTRODUCTIONS AND FIRST READING

HB 2080 by Representatives Sawyer, Zeiger, Appleton, Angel, DeBolt, Blake, Haler, McCoy, Wilcox, Fitzgibbon, Hurst, Freeman, Hunt, Santos and Ryu

AN ACT Relating to vacating convictions for certain tribal fishing activities; and reenacting and amending RCW 9.96.060.

Referred to Committee on Community Development, Housing & Tribal Affairs.

There being no objection, the bill listed on the day's introduction sheet under the fourth order of business was referred to the committees so designated.

There being no objection, the House advanced to the eleventh order of business.

There being no objection, the House adjourned until 10:00 a.m., June 26, 2013, the 15th Day of the 2<sup>nd</sup> Special Session.

FRANK CHOPP, Speaker

BARBARA BAKER, Chief Clerk

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