

ONE HUNDRED THIRD DAY

MORNING SESSION

Senate Chamber, Olympia
Friday, April 21, 2017

The Senate was called to order at 10:05 a.m. by the President of the Senate, Lt. Governor Habib presiding. The Secretary called the roll and announced to the President that all Senators were present.

The Sergeant at Arms Color Guard consisting of Pages Mr. Timothy Karn and Miss Maile Weston, presented the Colors. Page Miss Larissa Woods led the Senate in the Pledge of Allegiance. The prayer was offered by Reverend Jonathan Johnson of Olympia City Church.

MOTION

On motion of Senator Fain, the reading of the Journal of the previous day was dispensed with and it was approved.

MOTION

There being no objection, the Senate advanced to the first order of business.

REPORTS OF STANDING COMMITTEES

April 20, 2017

SB 5888 Prime Sponsor, Senator Baumgartner: Lowering the ceiling of the business and occupation manufacturing tax rate to 0.2904 percent. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass. Signed by Senators Braun, Chair; Brown, Vice Chair; Rossi, Vice Chair; Honeyford, Vice Chair, Capital Budget ; Rolfes, Assistant Ranking Minority Member, Operating Budget; Bailey; Becker; Miloscia; Padden; Rivers; Schoesler; Warnick and Zeiger.

MINORITY recommendation: Do not pass. Signed by Senators Ranker, Ranking Minority Member; Frockt, Assistant Ranking Minority Member, Capital Budget; Billig; Carlyle; Darneille; Hasegawa and Pedersen.

MINORITY recommendation: That it be referred without recommendation. Signed by Senators Conway and Keiser.

Referred to Committee on Rules for second reading.

April 20, 2017

SB 5924 Prime Sponsor, Senator Fain: Exchanging charitable, educational, penal, and reformatory institutions trust lands for community and technical college forest reserve lands. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass. Signed by Senators Braun, Chair; Brown, Vice Chair; Rossi, Vice Chair; Honeyford, Vice Chair, Capital Budget ; Ranker, Ranking Minority Member; Rolfes, Assistant Ranking Minority Member, Operating Budget; Frockt, Assistant Ranking

Minority Member, Capital Budget; Bailey; Becker; Billig; Carlyle; Conway; Darneille; Hasegawa; Keiser; Padden; Pedersen; Rivers; Schoesler; Warnick and Zeiger.

Referred to Committee on Rules for second reading.

April 20, 2017

2SHB 2143 Prime Sponsor, Committee on Appropriations: Expanding opportunities for higher education students. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass as amended. Signed by Senators Braun, Chair; Brown, Vice Chair; Rossi, Vice Chair; Ranker, Ranking Minority Member; Rolfes, Assistant Ranking Minority Member, Operating Budget; Frockt, Assistant Ranking Minority Member, Capital Budget; Billig; Carlyle; Conway; Darneille; Keiser; Padden; Pedersen; Rivers; Schoesler; Warnick and Zeiger.

MINORITY recommendation: Do not pass. Signed by Senators Bailey; Becker and Hasegawa.

MINORITY recommendation: That it be referred without recommendation. Signed by Senator Honeyford, Vice Chair, Capital Budget .

Referred to Committee on Rules for second reading.

MOTION

On motion of Senator Fain, the recommendations of the Standing Committees were accepted and all measures listed on the Standing Committee report were referred to the committees as designated.

MOTION

On motion of Senator Fain, the Senate advanced to the fifth order of business.

INTRODUCTION AND FIRST READING

SJM 8012 by Senators Lias, Pedersen, Fain, Rivers, Walsh, Ranker, Chase, Hasegawa, Darneille, Conway, Saldaña, Hunt, Billig, Nelson, Rolfes, McCoy, Palumbo, Cleveland, Wellman, Takko, Kuderer, Mullet, Frockt, Van De Wege, Hobbs, Keiser and Carlyle

Concerning the victims of the persecution in Chechnya.

Referred to Committee on State Government.

ESHB 2200 by House Committee on Technology & Economic Development (originally sponsored by Representatives Hansen, Taylor, Smith, Buys, Harmsworth, Graves, Maycumber, J. Walsh, Kraft, Haler, Condotta, Nealey, Bergquist, Steele, Van Werven, Stonier, Macri, Farrell, Cody, Slatter, Tarleton, Senn, Kagi, Pollet, Frame, Chapman, Dye, Hudgins, Stanford, Reeves, Dent, Hayes, Ryu, Peterson, Sells, Kloba, Santos, Johnson,

Fitzgibbon, Holy, Ormsby, Caldier, Sawyer, Wylie, Hargrove, Kilduff, Blake, Orcutt, Gregerson, Young, Appleton, Shea, Koster, Morris, Tharinger, Irwin, Muri, Schmick, Volz, Goodman, Clibborn, McCaslin, Pellicciotti, Doglio, Jinkins, Dolan, Kirby, Sullivan, Lytton, Kretz, Riccelli, Rodne, McBride, McCabe and Pettigrew)

AN ACT Relating to protecting the privacy and security of internet users; adding a new chapter to Title 19 RCW; and providing an effective date.

Held at the desk.

MOTION

On motion of Senator Fain, all measures listed on the Introduction and First Reading report were referred to the committees as designated with the exception of Engrossed Substitute House Bill No. 2200 which had been designated to the Committee on Energy, Environment & Telecommunications and held at the desk.

REMARKS BY THE PRESIDENT

President Habib: "The Senate will remain in order and the President would like to make a couple of remarks this morning. First of all, the President would like to take this moment, there is never really a great moment to do this, because our work continues, but the President would like to take this moment to thank the rostrum staff who have for 102 days and at the very least one more day here, and for however long we continue our work this calendar year, have worked so hard to make everything work so seamlessly. It is never easy when there is a change in the presiding officer, and anyone of you who have done this as pro tempore or in any other capacity will know that it is challenging. Obviously my situation, having special needs, has posed new challenges and Secretary Goodman and his staff, and of course the attorneys who are up here with me have done an extraordinary job of making sure that we, as an institution, live up to our own values of accessibility for me. And every member of this Senate I want to thank all of you for doing such a wonderful job throughout this session of accommodating my new way of doing things with respect in requesting to speak, but more than anything else, I just would like to ask that you join me in thanking this hard-working rostrum staff for all their hard work."

REMARKS BY THE PRESIDENT

President Habib: "Two other things. The President would like to give a brief explanation of a series of events right at the end of our work yesterday and just to give notice to the Senate of how things happened and some information of how maybe to deal with it in the future.

It was made known to me by Senator Fain that a proposed rule change was going to be introduced. And he asked what the notice requirements would be. The rules that you all have adopted are not completely clear. When it said that there is one legislative days notice that's needed, either reading of that, whether you just ignore the word legislative and act as though it is a calendar day would lead to a dynamic where you could give notice at 11:59 and then move to amend the rules at 12:01. Similarly, reading it as a day in which, or a period which the Senate is in order, would lead to a dynamic where, for example Saturday and Sunday even though they are not days that we are typically in session, still count as legislative days. So, neither

reading is ideal. The President will be offering during the interim, will work with staff from both caucuses to propose some technical suggestions, not partisan, and not to benefit the majority or minority caucus, but technical suggestions for how the language could be clearer and leave less to discretion or caprice. But Senator Fain had asked that. Given the timeline we are on, I had asked him to give notice to the minority party of the content of the rule and so Senator Liias then requested, gave notice that a rule change would come and so I held him to the same standard that I just asked Senator Fain to meet. It would have been unfair to allow the minority to not give notice to the majority in the same fashion that I had asked the majority to give the minority notice. That is how the rules were applied yesterday, and I would ask both caucuses to work with me to make sure that some of these technical fixes can be made during the interim, irrespective of which party in the majority or minority.

And finally, several senators yesterday, from both parties, who indicated some discomfort with the speed in which rule changes were being proposed, responses were being requested, measures were being put before them, conferences reports, etc. So I want to remind every member of this Senate, that at any point you feel as though you are not comfortable taking the next vote, or taking a position, please stand up, be recognized, and just ask. You can make a motion that we go temporarily at ease, or you can indicate to your attorney who is up here that you need just a moment to figure out what is going on, and consult so you can get the information that you need or respond to a request that I make of you and you are on the spot. I don't ever want anyone of either party or either caucus to feel like they are put on the spot and don't know how to respond in the moment. You always have that ability and your attorneys are up here to immediately stop the flow of activity if it is preventing you from doing your job in a deliberative fashion on behalf of your constituents. Thank you for humoring me. I wanted to give you all that information because I know we will be considering a number of measures today, and I don't want anyone to feel steamrolled or sandbagged as we do all of that."

MOTION

At 10:18 a.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

Senator McCoy announced a meeting of the Democratic Caucus.

Senator Fain announced a meeting of the Majority Coalition Caucus.

AFTERNOON SESSION

The Senate was called to order at 12:26 p.m. by President Habib.

MOTION

On motion of Senator Fain, the Senate reverted to the third order of business.

MESSAGE FROM THE GOVERNOR

April 21, 2017

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

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would give them direction, but also they made them feel safe. Those kids always felt safe with you. So, to all of you, thank you so much.”

MOTION

On motion of Senator Fain, the Senate reverted to the fourth order of business.

MESSAGE FROM THE HOUSE

April 21, 2017

MR. PRESIDENT:

The House receded from its amendment(s) to SUBSTITUTE SENATE BILL NO. 5046. Under suspension of the rules, the bill was returned to second reading for the purposes of amendment(s). The House adopted the following amendment(s): 5046-S AMH SANT H2744.1, and passed the bill as amended by the House.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 47. The legislature finds that, as a matter of human dignity, all persons should be informed of emergency notifications in a manner in which they can understand. It is the intent of the legislature that all persons who may be in harm's way in an emergency are informed of their peril, and informed of appropriate actions they should take to protect themselves and their families.

NEW SECTION. Sec. 48. A new section is added to chapter 38.52 RCW to read as follows:

Beginning December 1, 2019, a state agency that provides life safety information in an emergency or disaster must provide, to the relevant committees of the legislature, a copy of its current communication plan for notifying significant population segments of such information, including the agency's point of contact. The state agency must also submit an annual report to the relevant committees of the legislature identifying those instances of emergency or disaster in the preceding year in which life safety information was provided and what public messaging strategies and means were used to notify citizens with limited English proficiency.

Sec. 49. RCW 38.52.010 and 2015 c 61 s 1 are each reenacted and amended to read as follows:

As used in this chapter:

(1) "Communication plan," as used in RCW 38.52.070, means a section in a local comprehensive emergency management plan that addresses emergency notification of life safety information.

(2) "Continuity of operations planning" means the internal effort of an organization to assure that the capability exists to continue essential functions and services in response to a comprehensive array of potential emergencies or disasters.

~~((2))~~ (3) "Department" means the state military department.

~~((3))~~ (4) "Director" means the adjutant general.

~~((4))~~ (5) "Emergency management" or "comprehensive emergency management" means the preparation for and the carrying out of all emergency functions, other than functions for which the military forces are primarily responsible, to mitigate, prepare for, respond to, and recover from emergencies and disasters, and to aid victims suffering from injury or damage, resulting from disasters caused by all hazards, whether natural, technological, or human caused, and to provide support for search and rescue operations for persons and property in distress. However, "emergency management" or "comprehensive emergency management" does not mean preparation for

emergency evacuation or relocation of residents in anticipation of nuclear attack.

~~((5))~~ (6)(a) "Emergency or disaster" as used in all sections of this chapter except RCW 38.52.430 shall mean an event or set of circumstances which: (i) Demands immediate action to preserve public health, protect life, protect public property, or to provide relief to any stricken community overtaken by such occurrences, or (ii) reaches such a dimension or degree of destructiveness as to warrant the governor declaring a state of emergency pursuant to RCW 43.06.010.

(b) "Emergency" as used in RCW 38.52.430 means an incident that requires a normal police, coroner, fire, rescue, emergency medical services, or utility response as a result of a violation of one of the statutes enumerated in RCW 38.52.430.

~~((6))~~ (7) "Emergency response" as used in RCW 38.52.430 means a public agency's use of emergency services during an emergency or disaster as defined in subsection ~~((5))~~ (6)(b) of this section.

~~((7))~~ (8) "Emergency worker" means any person who is registered with a local emergency management organization or the department and holds an identification card issued by the local emergency management director or the department for the purpose of engaging in authorized emergency management activities or is an employee of the state of Washington or any political subdivision thereof who is called upon to perform emergency management activities.

~~((8))~~ (9) "Executive head" and "executive heads" means the county executive in those charter counties with an elective office of county executive, however designated, and, in the case of other counties, the county legislative authority. In the case of cities and towns, it means the mayor in those cities and towns with mayor-council or commission forms of government, where the mayor is directly elected, and it means the city manager in those cities and towns with council manager forms of government. Cities and towns may also designate an executive head for the purposes of this chapter by ordinance.

~~((9))~~ (10) "Expense of an emergency response" as used in RCW 38.52.430 means reasonable costs incurred by a public agency in reasonably making an appropriate emergency response to the incident, but shall only include those costs directly arising from the response to the particular incident. Reasonable costs shall include the costs of providing police, coroner, firefighting, rescue, emergency medical services, or utility response at the scene of the incident, as well as the salaries of the personnel responding to the incident.

~~((10))~~ (11) "Incident command system" means: (a) An all-hazards, on-scene functional management system that establishes common standards in organization, terminology, and procedures; provides a means (unified command) for the establishment of a common set of incident objectives and strategies during multiagency/multijurisdiction operations while maintaining individual agency/jurisdiction authority, responsibility, and accountability; and is a component of the national interagency incident management system; or (b) an equivalent and compatible all-hazards, on-scene functional management system.

~~((11))~~ (12) "Injury" as used in this chapter shall mean and include accidental injuries and/or occupational diseases arising out of emergency management activities.

~~((12))~~ (13) "Life safety information" means information provided to people during a response to a life-threatening emergency or disaster informing them of actions they can take to preserve their safety. Such information may include, but is not limited to, information regarding evacuation, sheltering, sheltering-in-place, facility lockdown, and where to obtain food and water.

~~(14)~~ (14) "Local director" means the director of a local organization of emergency management or emergency services.

~~((143))~~ (15) "Local organization for emergency services or management" means an organization created in accordance with the provisions of this chapter by state or local authority to perform local emergency management functions.

~~((144))~~ (16) "Political subdivision" means any county, city or town.

~~((145))~~ (17) "Public agency" means the state, and a city, county, municipal corporation, district, town, or public authority located, in whole or in part, within this state which provides or may provide firefighting, police, ambulance, medical, or other emergency services.

~~((146))~~ (18) "Radio communications service company" has the meaning ascribed to it in RCW 82.14B.020.

~~((147))~~ (19) "Search and rescue" means the acts of searching for, rescuing, or recovering by means of ground, marine, or air activity any person who becomes lost, injured, or is killed while outdoors or as a result of a natural, technological, or human caused disaster, including instances involving searches for downed aircraft when ground personnel are used. Nothing in this section shall affect appropriate activity by the department of transportation under chapter 47.68 RCW.

Sec. 50. RCW 38.52.070 and 1997 c 49 s 4 are each amended to read as follows:

(1) Each political subdivision of this state is hereby authorized and directed to establish a local organization or to be a member of a joint local organization for emergency management in accordance with the state comprehensive emergency management plan and program: PROVIDED, That a political subdivision proposing such establishment shall submit its plan and program for emergency management to the state director and secure his or her recommendations thereon, and verification of consistency with the state comprehensive emergency management plan, in order that the plan of the local organization for emergency management may be coordinated with the plan and program of the state. Local comprehensive emergency management plans must specify the use of the incident command system for multiagency/multijurisdiction operations. No political subdivision may be required to include in its plan provisions for the emergency evacuation or relocation of residents in anticipation of nuclear attack. If the director's recommendations are adverse to the plan as submitted, and, if the local organization does not agree to the director's recommendations for modification to the proposal, the matter shall be referred to the council for final action. The director may authorize two or more political subdivisions to join in the establishment and operation of a joint local organization for emergency management as circumstances may warrant, in which case each political subdivision shall contribute to the cost of emergency management upon such fair and equitable basis as may be determined upon by the executive heads of the constituent subdivisions. If in any case the executive heads cannot agree upon the proper division of cost the matter shall be referred to the council for arbitration and its decision shall be final. When two or more political subdivisions join in the establishment and operation of a joint local organization for emergency management each shall pay its share of the cost into a special pooled fund to be administered by the treasurer of the most populous subdivision, which fund shall be known as the emergency management fund. Each local organization or joint local organization for emergency management shall have a director who shall be appointed by the executive head of the political subdivision, and who shall have direct responsibility for the organization, administration, and operation of such local organization for emergency management, subject to the direction and control of such executive officer or officers. In the case of a

joint local organization for emergency management, the director shall be appointed by the joint action of the executive heads of the constituent political subdivisions. Each local organization or joint local organization for emergency management shall perform emergency management functions within the territorial limits of the political subdivision within which it is organized, and, in addition, shall conduct such functions outside of such territorial limits as may be required pursuant to the provisions of this chapter.

(2) In carrying out the provisions of this chapter each political subdivision, in which any disaster as described in RCW 38.52.020 occurs, shall have the power to enter into contracts and incur obligations necessary to combat such disaster, protecting the health and safety of persons and property, and providing emergency assistance to the victims of such disaster. Each political subdivision is authorized to exercise the powers vested under this section in the light of the exigencies of an extreme emergency situation without regard to time-consuming procedures and formalities prescribed by law (excepting mandatory constitutional requirements), including, but not limited to, budget law limitations, requirements of competitive bidding and publication of notices, provisions pertaining to the performance of public work, entering into contracts, the incurring of obligations, the employment of temporary workers, the rental of equipment, the purchase of supplies and materials, the levying of taxes, and the appropriation and expenditures of public funds.

(3)(a) Each local organization or joint local organization for emergency management that produces a local comprehensive emergency management plan must include a communication plan for notifying significant population segments of life safety information during an emergency. Local organizations and joint local organizations are encouraged to consult with affected community organizations in the development of the communication plans.

(i) In developing communication plans, local organizations and joint organizations should consider, as part of their determination of the extent of the obligation to provide emergency notification to significant population segments, the following factors: The number or proportion of the limited English proficiency persons eligible to be served or likely to be encountered; the frequency with which limited English proficiency individuals come in contact with the emergency notification; the nature and importance of the emergency notification, service, or program to people's lives; and the resources available to the political subdivision to provide emergency notifications.

(ii) "Significant population segment" means, for the purposes of this subsection (3), each limited English proficiency language group that constitutes five percent or one thousand residents, whichever is less, of the population of persons eligible to be served or likely to be affected within a city, town, or county. The office of financial management forecasting division's limited English proficiency population estimates are the demographic data set for determining eligible limited English proficiency language groups.

(b) Local organizations and joint local organizations must submit the plans produced under (a) of this subsection to the Washington military department emergency management division, and must implement those plans. An initial communication plan must be submitted with the local organization or joint local organization's next local emergency management plan update following the effective date of this section, and subsequent plans must be reviewed in accordance with the director's schedule.

(4) When conducting emergency or disaster after-action reviews, local organizations and joint local organizations must evaluate the effectiveness of communication of life safety information and must inform the emergency management division of the

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Washington military department of technological challenges which limited communications efforts, along with identifying recommendations and resources needed to address those challenges.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1711,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1714,
HOUSE BILL NO. 1718,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1719,
SUBSTITUTE HOUSE BILL NO. 2202,

NEW SECTION. Sec. 51. A new section is added to chapter 38.52 RCW to read as follows:

and the same are herewith transmitted.

(1) Beginning December 1, 2019, the Washington military department emergency management division must submit a report every five years to the relevant committees of the legislature containing the status of communication plans produced under RCW 38.52.070(3)(a).

NONA SNELL, Deputy Chief Clerk

(2) The emergency management division of the Washington military department must provide the legislature an annual report on instances of emergency or disaster in which communication of life safety information was technologically infeasible, as reported to the department pursuant to RCW 38.52.070(4). When potential technology solutions exist, the report must include recommendations and an estimate of resources required to remedy the infeasibility. The first annual report is due December 1, 2019.

MOTION

On motion of Senator Fain, the Senate advanced to the sixth order of business.

NEW SECTION. Sec. 52. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2017, in the omnibus appropriations act, this act is null and void." Correct the title.

SECOND READING

SENATE BILL NO. 5111, by Senators Braun, Ranker and Hunt

Enacting an excise tax on capital gains to improve the fairness of Washington's tax system and provide funding for the education legacy trust account.

The measure was read the second time.

BERNARD DEAN, Chief Clerk

MOTION

MOTION

Senator Braun moved that the following floor striking amendment no. 278 by Senator Braun be adopted:

Senator Short moved that the Senate refuse to concur in the House amendment(s) to Substitute Senate Bill No. 5046 and ask the House to recede therefrom.

Strike everything after the enacting clause and insert the following:

Senator Short spoke in favor of the motion.

"NEW SECTION. Sec. 1. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

The President declared the question before the Senate to be the motion by Senator Short that the Senate refuse to concur in the House amendment(s) to Substitute Senate Bill No. 5046 and ask the House to recede therefrom.

(1) "Accessory dwelling unit" means a separate habitable living area that is subordinate to the principal single-family dwelling unit, which is either internal to, attached to, or located on the same property tax parcel as, the principal single-family dwelling unit.

The motion by Senator Short carried and the Senate refused to concur in the House amendment(s) to Substitute Senate Bill No. 5046 and asked the House to recede therefrom by voice vote.

(2) "Adjusted capital gain" means federal net long-term capital gain:

MOTION

(a) Plus any loss from a sale or exchange that is exempt from the tax imposed in this chapter, to the extent such loss was included in calculating federal net long-term capital gain; and

At 12:46 p.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

(b) Less any gain from a sale or exchange that is exempt from the tax imposed in this chapter, to the extent such gain was included in calculating federal net long-term capital gain.

Senator McCoy announced a meeting of the Democratic Caucus.

(3) "Capital asset" has the same meaning as provided by Title 26 U.S.C. Sec. 1221 of the internal revenue code and also includes any other property if the sale or exchange of the property results in a gain that is treated as a long-term capital gain under Title 26 U.S.C. Sec. 1231 or any other provision of the internal revenue code.

The Senate was called to order at 1:59 p.m. by President Habib.

MESSAGE FROM THE HOUSE

April 21, 2017

MR. PRESIDENT:

The Speaker has signed:

SUBSTITUTE HOUSE BILL NO. 1043,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1109,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1427,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1465,
SUBSTITUTE HOUSE BILL NO. 1477,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1504,
ENGROSSED HOUSE BILL NO. 1620,

(4) "Federal net long-term capital gain" means the net long-term capital gain reportable for federal income tax purposes.

(5) "Individual" means a natural person.

(6) "Internal revenue code" means the United States internal revenue code of 1986, as amended, as of the effective date of this section, or such subsequent date as the department may provide by rule consistent with the purpose of this chapter.

(7) "Long-term capital asset" means a capital asset that is held for more than one year.

(8)(a) "Resident" means an individual:

(i) Who is domiciled in this state during the taxable year, unless the individual (A) maintained no permanent place of abode in this state during the entire taxable year, (B) maintained a permanent place of abode outside of this state during the entire taxable year, and (C) spent in the aggregate not more than thirty days of the taxable year in this state; or

(ii) Who is not domiciled in this state during the taxable year but maintained a place of abode and was physically present in this state for more than one hundred eighty-three days during the taxable year.

(b) For purposes of this subsection, "day" includes any portion of a day, except that a continuous period of twenty-four hours or less may not constitute more than one day.

(c) An individual who is a resident under (a) of this subsection is a resident for that portion of a taxable year in which the individual was domiciled in this state or maintained a place of abode in this state.

(9) "Taxable year" means the taxpayer's taxable year as determined under the internal revenue code.

(10) "Taxpayer" means an individual subject to tax under this chapter.

(11) "Washington capital gains" means an individual's adjusted capital gains allocated to this state as provided in section 6 of this act, less:

(a) Twenty-five thousand dollars; or

(b) Fifty thousand dollars for individuals filing joint returns under this chapter.

NEW SECTION. Sec. 2. (1) Beginning January 1, 2018, a tax is imposed on all individuals for the privilege of selling or exchanging long-term capital assets, or receiving Washington capital gains. The tax equals seven percent multiplied by the individual's Washington capital gains.

(2) If an individual's Washington capital gains are less than zero for a taxable year, no tax is due under this section. No such losses may be carried back or carried forward to another taxable year.

(3)(a) The tax imposed in this section applies to (i) the sale or exchange of long-term capital assets owned by the taxpayer, whether the taxpayer was the legal or a beneficial owner of such assets at the time of the sale or exchange, or (ii) Washington capital gains otherwise realized by the taxpayer.

(b) For purposes of this chapter, an individual is a beneficial owner of long-term capital assets held by an entity that is a pass-through or disregarded entity for federal tax purposes, such as a partnership, limited liability company, S-corporation, or trust, to the extent of the individual's ownership interest in the entity as reported for federal income tax purposes.

NEW SECTION. Sec. 3. This chapter does not apply to the sale or exchange of:

(1) Any residential dwelling, which means property consisting solely of (a) a single-family residence, a residential condominium unit, or a residential cooperative unit, including any accessory dwelling unit associated with such residence or residential unit, (b) a multifamily residential building consisting of one or more common walls and fewer than four units, or (c) a floating home as defined in RCW 82.45.032;

(2) Assets held under a retirement savings account under Title 26 U.S.C. Sec. 401(k) of the internal revenue code, a tax-sheltered annuity or a custodial account described in Title 26 U.S.C. Sec. 403(b) of the internal revenue code, a deferred compensation plan under Title 26 U.S.C. Sec. 457(b) of the internal revenue code, an individual retirement account or an individual retirement annuity described in Title 26 U.S.C. Sec. 408 of the internal revenue code, a Roth individual retirement account described in Title 26 U.S.C. Sec. 408A of the internal revenue code, an employee defined

contribution program, an employee defined benefit plan, or a similar retirement savings vehicle;

(3) Assets pursuant to or under imminent threat of condemnation proceedings by the United States, the state or any of its political subdivisions, or a municipal corporation;

(4) Cattle, horses, or breeding livestock held for more than twelve months if for the taxable year of the sale or exchange, more than fifty percent of the taxpayer's gross income for the taxable year, including from the sale or exchange of capital assets, is from farming or ranching;

(5) Agricultural or timber land by an individual who has regular, continuous, and substantial involvement in the operation of the agricultural or timberland that meets the criteria for material participation in an activity under Title 26 U.S.C. Sec. 469(h) of the internal revenue code for the ten years prior to the date of the sale or exchange of the agricultural or timber land;

(6) Property used in a trade or business if the property qualifies for an income tax deduction under Title 26 U.S.C. Sec. 167 or 179 of the internal revenue code; and

(7) Timber, or the receipt of Washington capital gains as dividends and distributions from real estate investment trusts derived from gains from the sale or exchange of timber. "Timber" means forest trees, standing or down, on privately or publicly owned land, and includes Christmas trees and short-rotation hardwoods. The sale or exchange of timber includes the cutting or disposal of timber qualifying for capital gains treatment under Title 26 U.S.C. Sec. 631(a) or (b) of the internal revenue code.

NEW SECTION. Sec. 4. The tax imposed under this chapter is in addition to any other taxes imposed by the state or any of its political subdivisions, or a municipal corporation, with respect to the same sale or exchange, including the taxes imposed in or under the authority of chapter 82.04, 82.08, 82.12, 82.14, 82.45, or 82.46 RCW.

NEW SECTION. Sec. 5. In computing tax, there may be deducted from the measure of tax amounts that the state is prohibited from taxing under the Constitution of this state or the Constitution or laws of the United States.

NEW SECTION. Sec. 6. (1) For purposes of the tax imposed under this chapter, adjusted capital gains are allocated as follows:

(a) Adjusted capital gains from the sale or exchange of real property are allocated to this state if the real property is located in this state or a majority of the fair market value of the real property is located in this state.

(b) Adjusted capital gains from the sale or exchange of tangible personal property are allocated to this state if the property was located in this state at the time of the sale or exchange. Adjusted capital gains from the sale or exchange of tangible personal property are also allocated to this state even though the property was not located in this state at the time of the sale or exchange if:

(i) The property was located in the state at any time during the taxable year in which the sale or exchange occurred or the immediately preceding taxable year;

(ii) The taxpayer was a resident at the time the sale or exchange occurred; and

(iii) The taxpayer is not subject to the payment of an income or excise tax legally imposed on the adjusted capital gain by another taxing jurisdiction.

(c) Adjusted capital gains derived from intangible personal property are allocated to this state if the taxpayer was domiciled in this state at the time the sale or exchange occurred.

(2)(a) A credit is allowed against the tax imposed in section 2 of this act equal to the amount of any legally imposed income or excise tax paid by the taxpayer to another taxing jurisdiction on capital gains derived from capital assets within the other taxing

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jurisdiction to the extent such capital gains are included in the taxpayer's Washington capital gains. The amount of credit under this subsection may not exceed the total amount of tax due under this chapter, and there is no carryback or carryforward of any unused credits.

(b) As used in this section, "taxing jurisdiction" means a state of the United States other than the state of Washington, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any foreign country or political subdivision of a foreign country.

NEW SECTION. Sec. 7. (1) Except as otherwise provided in this section or RCW 82.32.080, taxpayers owing tax under this chapter must file, on forms prescribed by the department, a return with the department on or before the date the taxpayer's federal income tax return for the taxable year is required to be filed.

(2) In addition to the Washington return required to be filed under subsection (1) of this section, taxpayers owing tax under this chapter must file with the department on or before the date the federal return is required to be filed a copy of the federal income tax return along with all schedules and supporting documentation.

(3) Each taxpayer required to file a return under this section must, without assessment, notice, or demand, pay any tax due thereon to the department on or before the date fixed for the filing of the return, regardless of any filing extension. If any tax due under this chapter is not paid by the due date, interest and penalties as provided in chapter 82.32 RCW apply to the deficiency.

(4) The department may by rule require that certain individuals and other persons file, at times and on forms prescribed by the department, informational returns for any period.

(5) If a taxpayer has obtained an extension of time for filing the federal income tax return for the taxable year, the taxpayer is entitled to the same extension of time for filing the return required under this section if the taxpayer provides the department, before the due date provided in subsection (1) of this section, the extension confirmation number or other evidence satisfactory to the department confirming the federal extension. An extension under this subsection for the filing of a return under this chapter is not an extension of time to pay the tax due under this chapter.

(6)(a) If any return due under subsection (1) of this section, along with a copy of the federal income tax return, is not filed with the department by the due date or any extension granted by the department, the department must assess a penalty in the amount of five percent of the tax due for the taxable year covered by the return for each month or portion of a month that the return remains unfiled. The total penalty assessed under this subsection may not exceed twenty-five percent of the tax due for the taxable year covered by the delinquent return. The penalty under this subsection is in addition to any penalties assessed for the late payment of any tax due on the return.

(b) The department must waive or cancel the penalty imposed under this subsection if:

(i) The department is persuaded that the taxpayer's failure to file the return by the due date was due to circumstances beyond the taxpayer's control; or

(ii) The taxpayer has not been delinquent in filing any return due under this section during the preceding five calendar years.

NEW SECTION. Sec. 8. (1) If the federal income tax liabilities of both spouses are determined on a joint federal return for the taxable year, they must file a joint return under this chapter.

(2) Except as otherwise provided in this subsection, if the federal income tax liability of either spouse is determined on a separate federal return for the taxable year, they must file separate returns under this chapter. State registered domestic partners may file a joint return under this chapter even if they filed separate federal returns for the taxable year.

(3) In any case in which a joint return is filed under this section, the liability of each spouse or state registered domestic partner is joint and several, unless:

(a) The spouse is relieved of liability for federal tax purposes as provided under Title 26 U.S.C. Sec. 6015 of the internal revenue code; or

(b) The department determines that the domestic partner qualifies for relief as provided by rule of the department. Such rule, to the extent possible without being inconsistent with this chapter, must follow Title 26 U.S.C. Sec. 6015.

NEW SECTION. Sec. 9. To the extent not inconsistent with the provisions of this chapter, the following statutes apply to the administration of taxes imposed under this chapter: RCW 82.32.050, 82.32.055, 82.32.060, 82.32.070, 82.32.080, 82.32.085, 82.32.090, 82.32.100, 82.32.105, 82.32.110, 82.32.117, 82.32.120, 82.32.130, 82.32.135, 82.32.150, 82.32.160, 82.32.170, 82.32.180, 82.32.190, 82.32.200, 82.32.210, 82.32.212, 82.32.220, 82.32.230, 82.32.235, 82.32.237, 82.32.240, 82.32.245, 82.32.265, 82.32.300, 82.32.310, 82.32.320, 82.32.330, 82.32.340, 82.32.350, 82.32.360, 82.32.410, 82.32.805, 82.32.808, and section 14 of this act.

NEW SECTION. Sec. 10. (1) Any taxpayer who knowingly attempts to evade payment of the tax imposed under this chapter is guilty of a class C felony as provided in chapter 9A.20 RCW.

(2) Any taxpayer who knowingly fails to pay tax, make returns, keep records, or supply information, as required under this title, is guilty of a gross misdemeanor as provided in chapter 9A.20 RCW.

NEW SECTION. Sec. 11. All revenue from taxes collected under this chapter, including penalties and interest on such taxes, must be deposited in the education legacy trust account created in RCW 83.100.230.

NEW SECTION. Sec. 12. Notwithstanding any common law rule of strict construction of statutes imposing taxes, this chapter, being necessary for the welfare of the state and its inhabitants, must be liberally construed in support of application of the tax.

NEW SECTION. Sec. 13. A new section is added to chapter 82.04 RCW to read as follows:

A deduction is allowed against a person's gross income of the business to the extent necessary to avoid taxing the same amounts under this chapter and section 2 of this act.

NEW SECTION. Sec. 14. A new section is added to chapter 82.32 RCW to read as follows:

(1) The department may enter into reciprocal tax collection agreements with the taxing officials of any other state imposing a specified tax. Agreements authorized under this section must require each state to offset delinquent specified taxes owed by a taxpayer to one party to the agreement, including any associated penalties, interest, or other additions, against refunds of overpaid specified taxes owed to the taxpayer by the other party to the agreement. Such agreements may also include provisions governing the sharing of information relevant to the administration of specified taxes. However, the department may not share return or tax information with other states except as allowed under RCW 82.32.330. Likewise, the department may

not share federal tax information with other states without the express written consent of the internal revenue service.

(2) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Specified taxes" means generally applicable state and local sales tax and use taxes, broad-based state gross receipts taxes, state income taxes, and stand-alone state taxes on capital gains or interest and dividends. "Specified taxes" include, but are not limited to, the taxes imposed in or under the authority of chapters 82.04, 82.08, 82.12, 82.14, 82.16, and 82.--- RCW (the new chapter created in section 15 of this act), and similar taxes imposed by another state. For purposes of this subsection (2)(a), "gross receipts tax," "income tax," "sales tax," and "use tax" have the same meanings as provided in RCW 82.56.010.

(b) "State" has the same meaning as provided in RCW 82.56.010.

NEW SECTION. Sec. 15. Sections 1 through 12 of this act constitute a new chapter in Title 82 RCW.

NEW SECTION. Sec. 16. This act does not affect any existing right acquired or liability or obligation incurred under the sections amended or repealed or under any rule or order adopted under those sections, nor does it affect any proceeding instituted under those sections.

NEW SECTION. Sec. 17. The tax collection, reporting, and payment obligations imposed by this act apply prospectively only."

On page 1, line 3 of the title, after "account;" strike the remainder of the title and insert "adding a new section to chapter 82.04 RCW; adding a new section to chapter 82.32 RCW; adding a new chapter to Title 82 RCW; creating new sections; and prescribing penalties."

Senator Braun spoke in favor of adoption of the striking amendment.

Senator Liias spoke against adoption of the striking amendment.

Senator Liias demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

The President declared the question before the Senate to be the adoption of floor striking amendment no. 278 by Senator Braun to Senate Bill No. 5111.

ROLL CALL

The Secretary called the roll on the adoption of the floor striking amendment no. 278 by Senator Braun and the striking amendment was adopted by the following vote: Yeas, 25; Nays, 23; Absent, 1; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Braun, Brown, Ericksen, Fain, Fortunato, Hawkins, Honeyford, King, Miloscia, O'Ban, Padden, Pearson, Rivers, Rossi, Schoesler, Sheldon, Short, Walsh, Warnick, Wilson and Zeiger

Voting nay: Senators Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Frockt, Hobbs, Hunt, Keiser, Kuderer, Liias, McCoy, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Takko, Van De Wege and Wellman

Absent: Senator Hasegawa

MOTION

Senator Braun moved that the rules be suspended and Engrossed Senate Bill No. 5111 be advanced to third reading, the

second reading considered the third and the bill be placed on final passage.

Senator Liias objected to the motion by Senator Braun.

Senator Liias demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

MOTION

On motion of Senator Saldaña, Senator Hasegawa was excused.

PARLIAMENTARY INQUIRY

Senator Baumgartner: "Thank you Mr. President. My point of inquiry relates to have many votes it takes to move this bill to third reading. As we know the state constitution gives this chamber the ability to make its own rules, we have made a rule that has six times been expressed by the people of this state that it takes a supermajority to vote for a tax package. We have made a senate rule in line with that, however your predecessor, Brad Owen, had ruled that it was an unenforceable rule, I happen do disagree with that, but what we are doing today is trying to smoke a few things out and get some key questions answered. And the question we need answered now is how would you rule on this issue, so I will read the formal question if I may Mr. President?"

President Habib: "Please proceed."

Senator Baumgartner: "Senate rules 62, 64 and 67 require a two-thirds vote prior to considering bills on the final passage if the bills raise taxes. On March 2, 2015 Lt. Gov. Brad Owen, found very similar provisions to be unenforceable as a violation of Article II Sec 22 of the state constitution. My inquiry Mr. President is whether you would enforce the rule similarly, whether senate rules 62, 64 and 67 to the extent that they require a supermajority vote to advance a bill to final passage are enforceable?"

PARLIAMENTARY INQUIRY

Senator Liias: "Thank you Mr. President. I am rising for a couple points of parliamentary inquiry that I would like considered in conjunction with the inquiry that Senator Baumgartner has raised.

First, we've heard in news reports and statements from the other caucus that there is an intent to bring forth bills that have been introduced within ten days prior to sine die. And we would like clarification under our current rules and the constitution, since the language is a little bit different between our rules and the constitution, on whether those bill could be considered, what would be required for consideration, and what would be the definition of consideration?

Secondly, I think as we answer this question that Senator Baumgartner has raised, we would also like to understand in the context of the two-thirds what the reference to raising taxes means. There is a long line of rulings from the prior Lieutenant Governor on the distinction between taxes and fees, but we haven't heard from you on that subject. But I think that would be useful for members.

And then finally, the question as to whether Senate Bill No. 5111, which is not referenced in the senate budget, is necessary to implement the budget since we have already passed the house of origin cutoff, it would appear that this bill since it is not required to implement our senate budget, that that would be properly

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before us. So if you could give us guidance on those three issues that would be helpful as well.”

been passed by this chamber. Is there a position from the majority caucus, Senator Fain?”

REPLY BY THE PRESIDENT

President Habib: “Senator Liias has raised three points of parliamentary inquiry. Senator Liias, I am going to raise the first one, because I have a sense of how I am going to rule on that, but I am going to allow one speaker to make another point.

Senator Liias’ first point of parliamentary inquiry was to make reference to another measure that might come before the senate, or whether or not that measure would violate the constitution’s prohibition on that measure being introduced and considered if introduced in the final ten day of the regular session. And unless there is a speaker from the majority caucus on this I will tell you that my position is that refers to a measure that is not Senate Bill No. 5111 and so your point of parliamentary inquiry is untimely, it does not relate to this measure before us right now and I should gavel that.

Your second point of parliamentary inquiry, Senator Liias, is related to the request for the definition of raising taxes, is that right Senator Liias? Do you have a position on that? Are you just asking for a, does it relate to how you would vote on this motion?”

Senator Liias: “I think that the question is whether it takes a two-thirds vote to advance a bill that raises taxes. If you sustain that two-thirds vote, I think it would be helpful to understand what is within that window of raising taxes versus what is raising fees.”

President Habib: “So, Senator Liias, may I suggest that what you are asking is actually whether this bill would raise taxes for the purpose of those provisions in the senate rules applying? Is that right?”

Senator Liias: “That is correct and I see that on our order of consideration that there is Senate Bill No. 5113, I presume that the plan is to come to that next, so I would ask if those two bills would meet the definition, if you decide to sustain the two-thirds voting threshold, if those two bills would meet the requirements of the senate rule?”

President Habib: ‘Okay, I am not going to take up the question for the same reason as I mentioned earlier. I am not going to take up the question of whether or not another bill, that has not been read in a second time, or in any case has not before the senate right now, raises taxes for the purpose of the applicability of those provisions. But I would entertain the question, because it is related, whether this bill raises taxes for that purpose. I am going to presume, Senator Baumgartner, that the reason that you brought this point of inquiry is that you believe that it does, otherwise why would your original point of parliamentary inquiry not be timely, is that right?”

Senator Baumgartner: “That is true Mr. President. We do believe that a capital gains tax is a capital gains tax.”

President Habib: “Okay, so that question will be attached to the point of parliamentary inquiry brought by Senator Baumgartner. And the third question, point of parliamentary inquiry that Senator Liias raised, whether the bill before us is necessary to implement the budget for purposes of compliance with the concurrent resolution with the House of Representatives having to do with the cutoff resolution Senator Liias’ position as stated is that this measure is not referenced in the budget that has

Senator Fain: “Thank you Mr. President. On that specific issue. Measures necessary to implement the budget may be acted upon after the cutoff, but also measures related to revenue are also properly before the chamber at that time. That is our understanding of the rules.”

President Habib: “Senator Fain, you position is that measures that relate to revenue are per se timely under the concurrent resolution with the House of Representatives, whether referenced or not in the budget at this point?”

Senator Fain: “That is correct, Mr. President.”

President Habib: “So there are three points of parliamentary inquiry being presented to the President. First by Senator Baumgartner asking for a ruling on the constitutionality of the provisions in senate rules related to the threshold vote for advancing a bill to third reading.

Second, from Senator Liias, asking for a ruling on whether that point of inquiry is timely because by requesting a ruling on whether or not this underlying bill even raises taxes?

And third, whether or not the bill before us complies with the concurrent resolution, the cutoff resolution with the House of Representatives?”

Further consideration of Engrossed Senate Bill No. 5111 was deferred.

MOTION

At 2:16 p.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 4:22 p.m. by President Pro Tempore Sheldon.

MOTION

On motion of Senator Fain, the Senate advanced to the seventh order of business.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Conway moved that JAMES H. CURTIS, Gubernatorial Appointment No. 9082, be confirmed as a member of the Tacoma Community College Board of Trustees.

Senator Conway spoke in favor of the motion.

APPOINTMENT OF JAMES H. CURTIS

The President Pro Tempore declared the question before the Senate to be the confirmation of JAMES H. CURTIS, Gubernatorial Appointment No. 9082, as a member of the Tacoma Community College Board of Trustees.

MOTION

On motion of Senator Saldaña, Senators Hasegawa and Hobbs were excused.

The Secretary called the roll on the confirmation of JAMES H. CURTIS, Gubernatorial Appointment No. 9082, as a member of the Tacoma Community College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senators Hasegawa and Hobbs

JAMES H. CURTIS, Gubernatorial Appointment No. 9082, having received the constitutional majority was declared confirmed as a member of the Tacoma Community College Board of Trustees.

MOTION

Senator Chase moved that TIA H. BENSON TOLLE, Gubernatorial Appointment No. 9096, be confirmed as a member of the Edmonds Community College Board of Trustees.

Senators Chase and Liias spoke in favor of passage of the motion.

APPOINTMENT OF TIA H. BENSON TOLLE

The President Pro Tempore declared the question before the Senate to be the confirmation of TIA H. BENSON TOLLE, Gubernatorial Appointment No. 9096, as a member of the Edmonds Community College Board of Trustees.

The Secretary called the roll on the confirmation of TIA H. BENSON TOLLE, Gubernatorial Appointment No. 9096, as a member of the Edmonds Community College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senators Hasegawa and Hobbs

TIA H. BENSON TOLLE, Gubernatorial Appointment No. 9096, having received the constitutional majority was declared confirmed as a member of the Edmonds Community College Board of Trustees.

MOTION

Senator Wellman moved that RICHARD G. FUKUTAKI, Gubernatorial Appointment No. 9084, be confirmed as a member of the Bellevue College Board of Trustees.

Senator Wellman spoke in favor of the motion.

APPOINTMENT OF RICHARD G. FUKUTAKI

The President Pro Tempore declared the question before the Senate to be the confirmation of RICHARD G. FUKUTAKI,

Gubernatorial Appointment No. 9084, as a member of the Bellevue College Board of Trustees.

The Secretary called the roll on the confirmation of RICHARD G. FUKUTAKI, Gubernatorial Appointment No. 9084, as a member of the Bellevue College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

RICHARD G. FUKUTAKI, Gubernatorial Appointment No. 9084, having received the constitutional majority was declared confirmed as a member of the Bellevue College Board of Trustees.

MOTION

Senator Liias moved that QUENTIN POWERS, Gubernatorial Appointment No. 9121, be confirmed as a member of the Edmonds Community College Board of Trustees.

Senator Liias spoke in favor of the motion.

APPOINTMENT OF QUENTIN POWERS

The President Pro Tempore declared the question before the Senate to be the confirmation of QUENTIN POWERS, Gubernatorial Appointment No. 9121, as a member of the Edmonds Community College Board of Trustees.

The Secretary called the roll on the confirmation of QUENTIN POWERS, Gubernatorial Appointment No. 9121, as a member of the Edmonds Community College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

QUENTIN POWERS, Gubernatorial Appointment No. 9121, having received the constitutional majority was declared confirmed as a member of the Edmonds Community College Board of Trustees.

MOTION

Senator Chase moved that PHILLIP L. BARRETT, Gubernatorial Appointment No. 9146, be confirmed as a member of the Shoreline Community College Board of Trustees.

Senator Chase spoke in favor of the motion.

APPOINTMENT OF PHILLIP L. BARRETT

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The President Pro Tempore declared the question before the Senate to be the confirmation of PHILLIP L. BARRETT, Gubernatorial Appointment No. 9146, as a member of the Shoreline Community College Board of Trustees.

APPOINTMENT OF ANGELA G. ROARTY

The President Pro Tempore declared the question before the Senate to be the confirmation of ANGELA G. ROARTY, Gubernatorial Appointment No. 9153, as a member of the Pierce College Board of Trustees.

The Secretary called the roll on the confirmation of PHILLIP L. BARRETT, Gubernatorial Appointment No. 9146, as a member of the Shoreline Community College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

The Secretary called the roll on the confirmation of ANGELA G. ROARTY, Gubernatorial Appointment No. 9153, as a member of the Pierce College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

Excused: Senator Hasegawa

PHILLIP L. BARRETT, Gubernatorial Appointment No. 9146, having received the constitutional majority was declared confirmed as a member of the Shoreline Community College Board of Trustees.

ANGELA G. ROARTY, Gubernatorial Appointment No. 9153, having received the constitutional majority was declared confirmed as a member of the Pierce College Board of Trustees.

MOTION

MOTION

Senator Wilson moved that FRIEDA K. TAKAMURA, Gubernatorial Appointment No. 9106, be confirmed as a member of the Renton Technical College Board of Trustees.

Senator Ericksen moved that JEFFREY F. CALLENDER, Gubernatorial Appointment No. 9199, be confirmed as a member of the Bellingham Technical College Board of Trustees.

Senator Wilson spoke in favor of the motion.

Senator Ericksen spoke in favor of the motion.

APPOINTMENT OF FRIEDA K. TAKAMURA

APPOINTMENT OF JEFFREY F. CALLENDER

The President Pro Tempore declared the question before the Senate to be the confirmation of FRIEDA K. TAKAMURA, Gubernatorial Appointment No. 9106, as a member of the Renton Technical College Board of Trustees.

The President Pro Tempore declared the question before the Senate to be the confirmation of JEFFREY F. CALLENDER, Gubernatorial Appointment No. 9199, as a member of the Bellingham Technical College Board of Trustees.

The Secretary called the roll on the confirmation of FRIEDA K. TAKAMURA, Gubernatorial Appointment No. 9106, as a member of the Renton Technical College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

The Secretary called the roll on the confirmation of JEFFREY F. CALLENDER, Gubernatorial Appointment No. 9199, as a member of the Bellingham Technical College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

Excused: Senator Hasegawa

FRIEDA K. TAKAMURA, Gubernatorial Appointment No. 9106, having received the constitutional majority was declared confirmed as a member of the Renton Technical College Board of Trustees.

JEFFREY F. CALLENDER, Gubernatorial Appointment No. 9199, having received the constitutional majority was declared confirmed as a member of the Bellingham Technical College Board of Trustees.

MOTION

MOTION

Senator O'Ban moved that ANGELA G. ROARTY, Gubernatorial Appointment No. 9153, be confirmed as a member of the Pierce College Board of Trustees.

Senator Chase moved that DIANA CLAY, Gubernatorial Appointment No. 9037, be confirmed as a member of the Board of Trustees, Community College District No. 23 (Edmonds Community College).

Senator O'Ban spoke in favor of the motion.

Senator Chase spoke in favor of the motion.

APPOINTMENT OF DIANA CLAY

The President Pro Tempore declared the question before the Senate to be the confirmation of DIANA CLAY, Gubernatorial Appointment No. 9037, as a member of the Board of Trustees, Community College District No. 23 (Edmonds Community College).

The Secretary called the roll on the confirmation of DIANA CLAY, Gubernatorial Appointment No. 9037, as a member of the Board of Trustees, Community College District No. 23 (Edmonds Community College) and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

DIANA CLAY, Gubernatorial Appointment No. 9037, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Community College District No. 23 (Edmonds Community College).

MOTION

Senator Frockt moved that D. MICHAEL KELLY, Gubernatorial Appointment No. 9065, be confirmed as a member of the Cascadia Community College Board of Trustees.

Senator Frockt spoke in favor of the motion.

APPOINTMENT OF D. MICHAEL KELLY

The President Pro Tempore declared the question before the Senate to be the confirmation of D. MICHAEL KELLY, Gubernatorial Appointment No. 9065, as a member of the Cascadia Community College Board of Trustees.

The Secretary called the roll on the confirmation of D. MICHAEL KELLY, Gubernatorial Appointment No. 9065, as a member of the Cascadia Community College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

D. MICHAEL KELLY, Gubernatorial Appointment No. 9065, having received the constitutional majority was declared confirmed as a member of the Cascadia Community College Board of Trustees.

MOTION

Senator Palumbo moved that NANCEE R. HOFMEISTER, Gubernatorial Appointment No. 9101, be confirmed as a member of the Cascadia College Board of Trustees.

Senator Palumbo spoke in favor of the motion.

APPOINTMENT OF NANCEE R. HOFMEISTER

The President Pro Tempore declared the question before the Senate to be the confirmation of NANCEE R. HOFMEISTER, Gubernatorial Appointment No. 9101, as a member of the Cascadia College Board of Trustees.

The Secretary called the roll on the confirmation of NANCEE R. HOFMEISTER, Gubernatorial Appointment No. 9101, as a member of the Cascadia College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

NANCEE R. HOFMEISTER, Gubernatorial Appointment No. 9101, having received the constitutional majority was declared confirmed as a member of the Cascadia College Board of Trustees.

MOTION

Senator Wilson moved that ROY F. HEYNDERICKX, Gubernatorial Appointment No. 9166, be confirmed as a member of the Higher Education Facilities Authority.

Senator Wilson spoke in favor of the motion.

APPOINTMENT OF ROY F. HEYNDERICKX

The President Pro Tempore declared the question before the Senate to be the confirmation of ROY F. HEYNDERICKX, Gubernatorial Appointment No. 9166, as a member of the Higher Education Facilities Authority.

The Secretary called the roll on the confirmation of ROY F. HEYNDERICKX, Gubernatorial Appointment No. 9166, as a member of the Higher Education Facilities Authority and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

ROY F. HEYNDERICKX, Gubernatorial Appointment No. 9166, having received the constitutional majority was declared confirmed as a member of the Higher Education Facilities Authority.

MOTION

Senator Chase moved that CARL J. ZAPORA, Gubernatorial Appointment No. 9207, be confirmed as a member of the Edmonds Community College Board of Trustees.

Senators Chase and Liias spoke in favor of the motion.

APPOINTMENT OF CARL J. ZAPORA

The President Pro Tempore declared the question before the Senate to be the confirmation of CARL J. ZAPORA, Gubernatorial Appointment No. 9207, as a member of the Edmonds Community College Board of Trustees.

The Secretary called the roll on the confirmation of CARL J. ZAPORA, Gubernatorial Appointment No. 9207, as a member of the Edmonds Community College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

CARL J. ZAPORA, Gubernatorial Appointment No. 9207, having received the constitutional majority was declared confirmed as a member of the Edmonds Community College Board of Trustees.

MOTION

Senator Zeiger moved that AMADEO T. TIAM, Gubernatorial Appointment No. 9212, be confirmed as a member of the Pierce College Board of Trustees.

Senator Zeiger spoke in favor of the motion.

APPOINTMENT OF AMADEO T. TIAM

The President Pro Tempore declared the question before the Senate to be the confirmation of AMADEO T. TIAM, Gubernatorial Appointment No. 9212, as a member of the Pierce College Board of Trustees.

The Secretary called the roll on the confirmation of AMADEO T. TIAM, Gubernatorial Appointment No. 9212, as a member of the Pierce College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

AMADEO T. TIAM, Gubernatorial Appointment No. 9212, having received the constitutional majority was declared confirmed as a member of the Pierce College Board of Trustees.

MOTION

Senator Warnick moved that SUSAN M. MAYER, Gubernatorial Appointment No. 9056, be confirmed as a member of the Small Business Export Finance Assistance Center Board of Directors.

Senator Warnick spoke in favor of the motion.

APPOINTMENT OF SUSAN M. MAYER

The President Pro Tempore declared the question before the Senate to be the confirmation of SUSAN M. MAYER, Gubernatorial Appointment No. 9056, as a member of the Small Business Export Finance Assistance Center Board of Directors.

The Secretary called the roll on the confirmation of SUSAN M. MAYER, Gubernatorial Appointment No. 9056, as a member of the Small Business Export Finance Assistance Center Board of Directors and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

SUSAN M. MAYER, Gubernatorial Appointment No. 9056, having received the constitutional majority was declared confirmed as a member of the Small Business Export Finance Assistance Center Board of Directors.

The President resumed the chair.

MOTION

Senator Chase moved that STANLEY M. SORCHER, Gubernatorial Appointment No. 9072, be confirmed as a member of the Small Business Export Finance Assistance Center Board of Directors.

Senators Chase and Frockt spoke in favor of passage of the motion.

APPOINTMENT OF STANLEY M. SORCHER

The President declared the question before the Senate to be the confirmation of STANLEY M. SORCHER, Gubernatorial Appointment No. 9072, as a member of the Small Business Export Finance Assistance Center Board of Directors.

The Secretary called the roll on the confirmation of STANLEY M. SORCHER, Gubernatorial Appointment No. 9072, as a member of the Small Business Export Finance Assistance Center Board of Directors and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler,

Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

STANLEY M. SORCHER, Gubernatorial Appointment No. 9072, having received the constitutional majority was declared confirmed as a member of the Small Business Export Finance Assistance Center Board of Directors.

MOTION

On motion of Senator Fain, the Senate reverted to the sixth order of business.

The Senate resumed consideration of Engrossed Senate Bill No. 5111.

RULING BY THE PRESIDENT

President Habib: “In ruling upon the point of order raised by Senator Baumgartner as to the constitutionality of the senate rules’ supermajority requirement to advance a bill that raises taxes to third reading and final passage, the President finds and rules as follows:

Senate Rules 62, 64 and 67 require a two-thirds vote prior to considering a bill on final passage if the bill raises taxes, but Article II, section 22 of the state Constitution requires only a majority vote for passage of such ordinary legislation.

The President is the constitutional presiding officer of a constitutional body. The constitution imposes limits on this body that from time to time the President is called upon to uphold. The President does not make these decisions lightly. However, the question regarding the constitutionality of these Senate Rules is timely, ripe and has been properly presented, since the disposition of SB 5111 cannot be resolved without determining the number of votes needed to advance the bill to final passage.

Where the State Supreme Court has clearly ruled on a question of legislative process, the President is bound to faithfully follow that ruling. There is precedent in this body for doing just that. For example, Lieutenant Governor Owen consistently applied the decision in *Legislature v. Locke* when finding the inclusion of substantive law in a budget out of order.

As to the question before us, in 2013, the Washington State Supreme Court held a supermajority requirement for final passage unconstitutional. The Court found that the framers intended that ordinary legislation be passed by a majority, not supermajority vote. The court based its decision on the fact that the framers were particularly concerned with the potential for tyranny of a minority.

While the Senate rules concern the advancement of a bill from second to third reading rather than final passage, the effect is the same. It is a distinction without a difference. The Senate cannot avoid the reach of the constitution by couching its impermissible action in procedural terms. As Lieutenant Governor Owen ruled in 2015, the Court’s opinion is binding on this body.

To the extent that Senate Rules 62, 64, and 67 require a supermajority vote to advance a bill to final passage they are unenforceable. Accordingly, the President finds that a simple majority is required to advance SB 5111 to third reading and final passage.”

RULING BY THE PRESIDENT

President Habib: “In ruling upon the point of order raised by Senator Liias as to whether Senate Bill No. 5111 is properly before the body based on the cutoff resolution. The President

finds that the Senate Concurrent Resolution 8400 establishes cutoff dates for measures before the Senate. The resolution specifically exempts ‘matters that affect state revenue’ from those cutoff dates. Senate Bill No. 5111 enacts a capital gains tax. The President finds this affects state revenue and this is properly before the body. Having so decided, whether this bill is necessary to implement the budget is moot.”

RULING BY THE PRESIDENT

President Habib: “Given the President’s prior rule finding the supermajority requirement to advance a bill to final passage unenforceable, the question raised by Senator Liias as to the distinction between fees and taxes is moot.”

The President declared the question before the Senate to be the motion by Senator Braun that the rules be suspended and Engrossed Senate Bill No. 5111 be advanced to third reading, the second reading considered the third and the bill be placed on final passage.

Senator Liias demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

The Secretary called the roll on the motion by Senator Braun that the rules be suspended and Engrossed Senate Bill No. 5111 be advanced to third reading, the second reading considered the third and the bill be placed on final passage and the motion carried by the following vote: Yeas, 25; Nays, 23; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Braun, Brown, Ericksen, Fain, Fortunato, Hawkins, Honeyford, King, Miloscia, O’Ban, Padden, Pearson, Rivers, Rossi, Schoesler, Sheldon, Short, Walsh, Warnick, Wilson and Zeiger

Voting nay: Senators Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Frockt, Hobbs, Hunt, Keiser, Kuderer, Liias, McCoy, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Takko, Van De Wege and Wellman

Excused: Senator Hasegawa

Senator Braun spoke on the final passage of the bill.

POINT OF ORDER

Senator Liias: “Thank you Mr. President. Our senate rules ask us to speak to the measure before the senate. The bill before us enacts and excise tax on capital gains and not an income tax. So I would ask that you would advise the gentleman to keep his remarks to the bill before us.”

RULING BY THE PRESIDENT

President Habib: “I am going to ask, this is a rhetorical question or point, I am going to ask Senator Braun that we are going to refrain from using excise and income taxes at this point I think capital gains tax can mean whatever members want it to mean, that is what in my previous ruling, I found that this bill does create a capital gains tax rather than get into the minutia of this I’d ask that for the sake of moving along this evening, we can refer to the tax, capital gains tax, whatever it might be, the point has been made that this is considered an income tax by Senator Braun.

POINT OF ORDER

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Senator Schoesler: “Mr. President, in your remarks you quoted this as being a capital gains tax, if the President can speak to this as a capital gains tax, why can a member not use the same language that the President uses in his remarks?”

RULING BY THE PRESIDENT

President Habib: “Senator Schoesler, I am not going to tell members here as a ruling of the President not to use these words. I am drawing upon a desire for amity and goodwill to ask both sides not to use terms the other side, definitional terms, the other side doesn’t agree with. So I am also asking the Democrats not to use the term excise tax, I am asking the Senate, as members of the Senate, to do this as a sign, and a gesture of goodwill because we are going to move forward on the actual discussion. I am not making a ruling, so as a matter of your rights as senators you can continue to do that in opposition to by request but I would ask that we try and get out of here remembering that we are colleagues first. That we are serving our people first and both sides should avoid language intentionally intended to complicate as opposed to debate the issue before us.”

Senator Baumgartner: “I would just like to comment on that.”

President Habib: “Senator Baumgartner, are you raising a point? Of?”

Senator Baumgartner: “I am objecting to your advice.”

President Habib: “Well, it is only that. If you would like to raise a point of order, then it should relate to the rules of order we have in the Senate.”

PARLIAMENTARY INQUIRY

Senator Baumgartner: “Is there anything binding about your point of advice?”

REMARKS BY THE PRESIDENT

President Habib: “I just said Senator Baumgartner, I just said that it is not binding. I said members could use what ever language they want in this regard, but I have asked, not ruled, I have asked that members try to refrain from using definitional language intentionally intended to complicate not debate the issue before us. The public wants us to have a debate on issues and bills and measures but I think needling one another whether it comes from the democrats or republicans doesn’t help us get to the underlying policy debate. I am going to ask Senator Braun to continue his speech rather than continue down this lexical rhetorical rabbit hole.”

Senators Braun, Ranker, Ericksen, spoke against passage of the bill.

POINT OF ORDER

Senator Liias: “Mr. President, there has been a number of times where my friends on the other side of the aisle referred to actions by the House of Representatives and I am afraid that they may inflame our relationships there with the other chamber and I ask you to provide some guidance to them.”

RULING BY THE PRESIDENT

President Habib: “Senator Ericksen, it sounded like you were concluding your remarks. I would ask members, Senator Ericksen, whether you or others, your own rules, as I have said several times during session, your own rules don’t prohibit mentioning the House but they do prohibit mentioning actions or inactions of the House of Representatives. And the reason for that, there are several, they have to do with keeping the legislative history clean for courts, some have to do perhaps with tensions with the other chamber, preventing those that Senator Liias suggested. I do ask members to, if discussing this measure, to avoid mentioning the actions or inactions of the other chamber. You can refer to the other side of the aisle in this chamber, the Governor, you can refer to me if you like, or even by party, as long as you don’t impugn motives, but that is in your own rules. Senator Ericksen, please continue.”

Senators Ericksen continued his remarks against passage of the bill.

Senator Frockt spoke on final passage of the bill.

PERSONAL PRIVILEGE

Senator Sheldon: “Will Rodgers was often quoted Mr. President as saying ‘I don’t belong to any organized political party, I am a Democrat.’ I have been elected to the legislature ten times as a democrat, and I appreciate Senator Frockt acknowledging that the senate budget was passed by a bipartisan vote. Thank you.”

Senators Wellman, Schoesler and Kuderer spoke on final passage of the bill.

MOTION

Senator Fain demanded that the previous question be put.

The President declared that at least two additional senators joined the demand and the demand was sustained.

The President declared the question before the Senate to be, “Shall the main question be now put?”

The motion by Senator Fain carried and the previous question was put by voice vote.

PARLIAMENTARY INQUIRY

Senator Baumgartner: “Mr. President, was that a debatable motion?”

RULING BY THE PRESIDENT

President Habib: “No.”

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 5111.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 5111 and the bill failed to pass the Senate by the following vote: Yeas, 0; Nays, 48; Absent, 0; Excused, 1.

Voting nay: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O’Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler,

Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

ENGROSSED SENATE BILL NO. 5111, having failed to receive the constitutional majority, was declared lost.

SECOND READING

SENATE BILL NO. 5113, by Senators Braun, Ranker and Hunt

Investing in education by modifying the business and occupation tax and providing small business tax relief.

The measure was read the second time.

MOTION

Senator Braun moved that the following floor striking amendment no. 279 by Senator Braun be adopted.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 18. (1) This section is the tax preference performance statement for the tax preference contained in section 3, chapter . . ., Laws of 2017 (section 3 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or to be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals, as indicated in RCW 82.32.808(2)(e).

(3) It is the legislature's specific public policy objective to reduce the tax burden on individuals and businesses imposed by the existing business and occupation tax rates.

(4) If the review finds that more than one hundred thousand businesses in the state per year are experiencing tax relief from this tax preference, then the legislature intends to extend the expiration date of this tax preference.

(5) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may refer to any data collected by the state.

NEW SECTION. Sec. 19. RCW 82.04.4451 (Credit against tax due—Maximum credit—Table) and 2010 1st sp.s. c 23 s 1102, 1997 c 238 s 2, & 1994 sp.s. c 2 s 1 are each repealed.

NEW SECTION. Sec. 20. A new section is added to chapter 82.04 RCW to read as follows:

(1) In computing the tax imposed under this chapter, each year a person may deduct from the measure of tax an amount up to:

(a) Two hundred fifty thousand dollars if the person meets the eligibility requirements in subsection (6)(a)(i) of this section; or

(b) One hundred thousand dollars if the person meets the eligibility requirements in subsection (6)(a)(ii) of this section.

(2)(a) A person who is eligible to claim the deduction under this section and who is also entitled to claim a multiple activities tax credit under RCW 82.04.440 may, in lieu of claiming the deduction under this section, elect to claim the deduction in the form of credit as provided in this section. The credit for a calendar year is equal to the lesser of the tax otherwise due under this chapter for that calendar year or an amount determined by:

(i) For a person who is eligible for the deduction under subsection (1)(a) of this section, multiplying two hundred fifty thousand dollars by the highest tax rate applicable to any of the

activities conducted by the taxpayer that qualify the taxpayer for a multiple activities tax credit under RCW 82.04.440; or

(ii) For a person who is eligible for the deduction under subsection (1)(b) of this section, multiplying one hundred thousand dollars by the highest tax rate applicable to any of the activities conducted by the taxpayer that qualify the taxpayer for a multiple activities tax credit under RCW 82.04.440.

(b) For purposes of this subsection (2), "tax rate" means the base tax rate applicable to a particular business activity, plus the rate of any additional tax imposed on that business activity under another provision of this chapter.

(c) An election under this subsection to claim the deduction in the form of a credit applies for a full calendar year.

(3) No tax under this chapter is due when, in the case of the deduction, the measure of tax for a reporting period is equal to or less than the available deduction, or in the case of the credit, the tax otherwise due for a reporting period is equal to or less than the available credit. Any unused portion of the deduction or credit under this section may be carried forward for tax reporting periods in the same calendar year but otherwise may not be carried forward or backward to tax reporting periods in other calendar years. For taxpayers who report taxes due under this chapter to the department more frequently than annually, the deduction and credit under this section must be used in a prior tax reporting period in the current calendar year before it may be carried forward and used in a subsequent tax reporting period in the current calendar year, unless the taxpayer had no tax liability under this chapter in any prior tax reporting period in the current calendar year. No refunds are allowed for the deduction and credit under this section.

(4) For taxpayers subject to taxes imposed under multiple provisions of this chapter, the deduction under this section must be applied to the measure of tax in order of the business activities taxed at the highest to lowest rates.

(5) The deduction and credit under this section are in addition to any other applicable deductions, exemptions, and credits allowed for the taxes due under this chapter. The deduction and credit in this section must be claimed, in the case of the deduction, after all other deductions are claimed, and in the case of the credit, after all other credits are claimed.

(6)(a)(i) A person is eligible for the deduction under subsection (1)(a) of this section or credit under subsection (2)(a)(i) of this section if the person's taxable amount was less than or equal to two hundred fifty thousand dollars for the calendar year immediately preceding the current calendar year.

(ii) A person is eligible for the deduction under subsection (1)(b) of this section or credit under subsection (2)(a)(ii) of this section if the person's taxable amount exceeded two hundred fifty thousand dollars, but was less than five hundred thousand dollars, for the calendar year immediately preceding the current calendar year.

(b) For purposes of this subsection, if a person is a successor to another person, the successor's taxable amount for the calendar year immediately preceding the successor's first full calendar year of engaging in business within this state, includes the predecessor's taxable amount for the calendar year immediately preceding the successor's first full calendar year of engaging in business within this state.

(c) For purposes of this subsection (6), the following definitions apply:

(i) "Successor" has the same meaning as in RCW 82.04.180(1).

(ii) "Taxable amount" means the taxable amount subject to the tax imposed in this chapter required to be reported on the person's excise tax returns, less any taxable amount for which a multiple activities tax credit is allowed under RCW 82.04.440.

(7) This section expires January 1, 2033.

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NEW SECTION. Sec. 21. A new section is added to chapter 82.04 RCW to read as follows:

(1) Beginning July 1, 2017, upon every person engaging within the state in selected business activities, an additional tax is imposed. The amount of the additional tax imposed on a person under this section is equal to the tax payable by the person under all other applicable provisions of this chapter on selected business activities, multiplied by twenty percent.

(2) The additional tax under this section is due in the form and manner determined by the department.

(3) For purposes of this section, "selected business activities" means business activities subject to tax under RCW 82.04.230; 82.04.240; 82.04.250 (1) or (2); 82.04.255; 82.04.257; 82.04.260 (3), (9), (10), or (13); 82.04.263; 82.04.270; 82.04.280; 82.04.285; 82.04.290(2), including the activities described in RCW 82.04.29001, 82.04.29005, 82.04.297, and 82.04.540; 82.04.2905; 82.04.2906; 82.04.2907; and 82.04.298; and beginning July 1, 2024, the activities taxed under RCW 82.04.260(14).

Sec. 22. RCW 82.32.045 and 2010 1st sp.s. c 23 s 1103 are each amended to read as follows:

(1) Except as otherwise provided in this chapter, payments of the taxes imposed under chapters 82.04, 82.08, 82.12, 82.14, and 82.16 RCW, along with reports and returns on forms prescribed by the department, are due monthly within twenty-five days after the end of the month in which the taxable activities occur.

(2) The department of revenue may relieve any taxpayer or class of taxpayers from the obligation of remitting monthly and may require the return to cover other longer reporting periods, but in no event may returns be filed for a period greater than one year. For these taxpayers, tax payments are due on or before the last day of the month next succeeding the end of the period covered by the return.

(3) The department of revenue may also require verified annual returns from any taxpayer, setting forth such additional information as it may deem necessary to correctly determine tax liability.

(4) Notwithstanding subsections (1) and (2) of this section, the department may relieve any person of the requirement to file returns and pay any taxes otherwise due under chapters 82.04 and 82.16 RCW if the following conditions are met:

(a) The person's value of products, gross proceeds of sales, or gross income of the business, from all business activities taxable under chapter 82.04 RCW, is less than(±

~~(i) Twenty eight thousand dollars per year; or~~
~~(ii) Forty six thousand six hundred sixty seven dollars per year for persons generating at least fifty percent of their taxable amount from activities taxable under RCW 82.04.255, 82.04.290(2)(a), and 82.04.285))~~ one hundred fifty thousand dollars per year;

(b) The person's gross income of the business from all activities taxable under chapter 82.16 RCW is less than twenty-four thousand dollars per year; and

(c) The person is not required to collect or pay to the department of revenue any other tax or fee which the department is authorized to collect.

NEW SECTION. Sec. 23. This act does not affect any existing right acquired or liability or obligation incurred under the sections amended or repealed or under any rule or order adopted under those sections, nor does it affect any proceeding instituted under those sections.

NEW SECTION. Sec. 24. The tax collection, reporting, and payment obligations imposed by this act apply prospectively only.

NEW SECTION. Sec. 25. This act takes effect October 1, 2017."

On page 1, line 2 of the title, after "relief;" strike the remainder of the title and insert "amending RCW 82.32.045; adding new sections to chapter 82.04 RCW; creating new sections; repealing RCW 82.04.4451; providing an effective date; and providing an expiration date."

Senator Braun spoke in favor of adoption of the striking amendment.

Senator Liias spoke against adoption of the striking amendment.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

The President declared the question before the Senate to be the adoption of the floor striking amendment no. 279 by Senator Braun to Senate Bill No. 5113.

ROLL CALL

The Secretary called the roll on the adoption of the striking amendment by Senator Braun and the amendment was adopted by the following vote: Yeas, 25; Nays, 23; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Braun, Brown, Ericksen, Fain, Fortunato, Hawkins, Honeyford, King, Miloscia, O'Ban, Padden, Pearson, Rivers, Rossi, Schoesler, Sheldon, Short, Walsh, Warnick, Wilson and Zeiger

Voting nay: Senators Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Frockt, Hobbs, Hunt, Keiser, Kuderer, Liias, McCoy, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Takko, Van De Wege and Wellman

Excused: Senator Hasegawa

MOTION

On motion of Senator Braun, the rules were suspended, Engrossed Senate Bill No. 5113 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Braun, Liias, O'Ban, Baumgartner, Kuderer, Fortunato, Nelson, Ericksen and Mullet spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 5113.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 5113 and the bill failed to pass the Senate by the following vote: Yeas, 0; Nays, 48; Absent, 0; Excused, 1.

Voting nay: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

ENGROSSED SENATE BILL NO. 5113, having failed to receive the constitutional majority, was declared lost.

MOTION

On motion of Senator Fain, the Senate reverted to the fourth order of business.

PERSONAL PRIVILEGE

Senator Frockt: "Thank you Mr. President. As we are getting ready to debate the next bills on our agenda, in my zeal a few minutes ago in our debate, I obviously misspoke and had mistaken my friend from the 35th Legislative District as a member of the other political party. And I just wanted to, from one Quaker to another, offer my apologies for misidentifying him. I know my friends in the MCC appreciate his role in the MCC as do I, and of course it is better to be, well, anyway, I apologize."

PERSONAL PRIVILEGE

Senator Rivers: "Mr. President, tonight has been difficult, I think, on all of us. Some of us had to take a vote we really didn't want to take, while others of us were pleased to be able to take the vote. But here's the thing about legislative work, sometimes it can be messy. The path to progress can be full of hurdles. But here is the good news for us, you have four colleagues here in the senate that have been meeting and working to solve the education funding issue that is in front of us. So, tonight even though it was not fun, it was not comfortable, we now know that we have two item that we can take off the table. We still have a multitude of things on the table with which we can work."

POINT OF ORDER

Senator Billig: "Thank you Mr. President. I believe, and I would just like to ask for your guidance, but a point of personal privilege is not supposed to be directed at points we are considering, bills or other measures that we are considering in this body. Is that correct?"

REMARKS BY THE PRESIDENT

President Habib: "Under your most recent rules, the senate did restrict, somewhat, points of personal privilege. Senator Rivers if you could contain your point to your participation here in the senate and your ability to represent your constituents and work with other senators, those sorts of things that are unique to you and your experiences here. That would comply with your rules."

Senator Rivers: "Will do. Thank you Mr. President and apologies to my colleague Senator Billig if I offended him. My message is this Mr. President, I am hopeful, I am excited because we can move forward together in spite of this. There have been a thousand discussions like this on the floor and yet somehow we are able to work together and to come up with solutions that really work. I remain absolutely committed to that task. And I feel like we are going to get there. And that we all are part of the solution. And I believe that we all remain committed to the same thing. You know we may not all agree on how we are going to get there but we all want to get there. The only way we are going to get there is together and I still believe that is going to happen in this session. Thank you very much for your indulgence Mr. President."

SIGNED BY THE PRESIDENT

Pursuant to Article 2, Section 32 of the State Constitution and Senate Rule 1(5), the President announced the signing of and thereupon did sign in open session:

- SENATE BILL NO. 5037,
- SENATE BILL NO. 5130,
- SENATE CONCURRENT RESOLUTION NO. 8401,
- SUBSTITUTE HOUSE BILL NO. 1043,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1109,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1427,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1465,
- SUBSTITUTE HOUSE BILL NO. 1477,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1504,
- ENGROSSED HOUSE BILL NO. 1620,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1711,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1714,
- HOUSE BILL NO. 1718,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1719,
- SUBSTITUTE HOUSE BILL NO. 2202,
- ENGROSSED SENATE BILL NO. 5008,
- SUBSTITUTE SENATE BILL NO. 5018,
- SENATE BILL NO. 5268,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5388,
- SUBSTITUTE SENATE BILL NO. 5589,
- SENATE BILL NO. 5762,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5131,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5810.

MESSAGE FROM THE HOUSE

April 21, 2017

MR. PRESIDENT:

The Speaker has signed:

- SUBSTITUTE HOUSE BILL NO. 1501,
- SUBSTITUTE HOUSE BILL NO. 1543,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1614,

and the same are herewith transmitted.

NONA SNELL, Deputy Chief Clerk

April 21, 2017

MR. PRESIDENT:

The Speaker has signed:

- ENGROSSED SENATE BILL NO. 5008,
- SUBSTITUTE SENATE BILL NO. 5018,
- SENATE BILL NO. 5037,
- SENATE BILL NO. 5130,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5131,
- SENATE BILL NO. 5268,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5388,
- SUBSTITUTE SENATE BILL NO. 5589,
- SENATE BILL NO. 5762,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5810,
- SENATE CONCURRENT RESOLUTION NO. 8401,

and the same are herewith transmitted.

NONA SNELL, Deputy Chief Clerk

MESSAGE FROM THE HOUSE

April 21, 2017

MR. PRESIDENT:

The House recessed from its amendment(s) to SUBSTITUTE SENATE BILL NO. 5046. Under suspension of the rules, the

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bill was returned to second reading for the purposes of amendment(s). The House adopted the following amendment(s): 5046-S AMH SANT H2744.1, and passed the bill as amended by the House.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that, as a matter of human dignity, all persons should be informed of emergency notifications in a manner in which they can understand. It is the intent of the legislature that all persons who may be in harm's way in an emergency are informed of their peril, and informed of appropriate actions they should take to protect themselves and their families.

NEW SECTION. Sec. 2. A new section is added to chapter 38.52 RCW to read as follows:

Beginning December 1, 2019, a state agency that provides life safety information in an emergency or disaster must provide, to the relevant committees of the legislature, a copy of its current communication plan for notifying significant population segments of such information, including the agency's point of contact. The state agency must also submit an annual report to the relevant committees of the legislature identifying those instances of emergency or disaster in the preceding year in which life safety information was provided and what public messaging strategies and means were used to notify citizens with limited English proficiency.

Sec. 3. RCW 38.52.010 and 2015 c 61 s 1 are each reenacted and amended to read as follows:

As used in this chapter:

(1) "Communication plan," as used in RCW 38.52.070, means a section in a local comprehensive emergency management plan that addresses emergency notification of life safety information.

(2) "Continuity of operations planning" means the internal effort of an organization to assure that the capability exists to continue essential functions and services in response to a comprehensive array of potential emergencies or disasters.

~~((2))~~ (3) "Department" means the state military department.

~~((3))~~ (4) "Director" means the adjutant general.

~~((4))~~ (5) "Emergency management" or "comprehensive emergency management" means the preparation for and the carrying out of all emergency functions, other than functions for which the military forces are primarily responsible, to mitigate, prepare for, respond to, and recover from emergencies and disasters, and to aid victims suffering from injury or damage, resulting from disasters caused by all hazards, whether natural, technological, or human caused, and to provide support for search and rescue operations for persons and property in distress. However, "emergency management" or "comprehensive emergency management" does not mean preparation for emergency evacuation or relocation of residents in anticipation of nuclear attack.

~~((5))~~ (6)(a) "Emergency or disaster" as used in all sections of this chapter except RCW 38.52.430 shall mean an event or set of circumstances which: (i) Demands immediate action to preserve public health, protect life, protect public property, or to provide relief to any stricken community overtaken by such occurrences, or (ii) reaches such a dimension or degree of destructiveness as to warrant the governor declaring a state of emergency pursuant to RCW 43.06.010.

(b) "Emergency" as used in RCW 38.52.430 means an incident that requires a normal police, coroner, fire, rescue, emergency medical services, or utility response as a result of a violation of one of the statutes enumerated in RCW 38.52.430.

~~((6))~~ (7) "Emergency response" as used in RCW 38.52.430 means a public agency's use of emergency services during an emergency or disaster as defined in subsection ~~((5))~~ (6)(b) of this section.

~~((7))~~ (8) "Emergency worker" means any person who is registered with a local emergency management organization or the department and holds an identification card issued by the local emergency management director or the department for the purpose of engaging in authorized emergency management activities or is an employee of the state of Washington or any political subdivision thereof who is called upon to perform emergency management activities.

~~((8))~~ (9) "Executive head" and "executive heads" means the county executive in those charter counties with an elective office of county executive, however designated, and, in the case of other counties, the county legislative authority. In the case of cities and towns, it means the mayor in those cities and towns with mayor-council or commission forms of government, where the mayor is directly elected, and it means the city manager in those cities and towns with council manager forms of government. Cities and towns may also designate an executive head for the purposes of this chapter by ordinance.

~~((9))~~ (10) "Expense of an emergency response" as used in RCW 38.52.430 means reasonable costs incurred by a public agency in reasonably making an appropriate emergency response to the incident, but shall only include those costs directly arising from the response to the particular incident. Reasonable costs shall include the costs of providing police, coroner, firefighting, rescue, emergency medical services, or utility response at the scene of the incident, as well as the salaries of the personnel responding to the incident.

~~((10))~~ (11) "Incident command system" means: (a) An all-hazards, on-scene functional management system that establishes common standards in organization, terminology, and procedures; provides a means (unified command) for the establishment of a common set of incident objectives and strategies during multiagency/multijurisdiction operations while maintaining individual agency/jurisdiction authority, responsibility, and accountability; and is a component of the national interagency incident management system; or (b) an equivalent and compatible all-hazards, on-scene functional management system.

~~((11))~~ (12) "Injury" as used in this chapter shall mean and include accidental injuries and/or occupational diseases arising out of emergency management activities.

~~((12))~~ (13) "Life safety information" means information provided to people during a response to a life-threatening emergency or disaster informing them of actions they can take to preserve their safety. Such information may include, but is not limited to, information regarding evacuation, sheltering, sheltering-in-place, facility lockdown, and where to obtain food and water.

(14) "Local director" means the director of a local organization of emergency management or emergency services.

~~((13))~~ (15) "Local organization for emergency services or management" means an organization created in accordance with the provisions of this chapter by state or local authority to perform local emergency management functions.

~~((14))~~ (16) "Political subdivision" means any county, city or town.

~~((15))~~ (17) "Public agency" means the state, and a city, county, municipal corporation, district, town, or public authority located, in whole or in part, within this state which provides or may provide firefighting, police, ambulance, medical, or other emergency services.

~~((46))~~ (18) "Radio communications service company" has the meaning ascribed to it in RCW 82.14B.020.

~~((47))~~ (19) "Search and rescue" means the acts of searching for, rescuing, or recovering by means of ground, marine, or air activity any person who becomes lost, injured, or is killed while outdoors or as a result of a natural, technological, or human caused disaster, including instances involving searches for downed aircraft when ground personnel are used. Nothing in this section shall affect appropriate activity by the department of transportation under chapter 47.68 RCW.

Sec. 4. RCW 38.52.070 and 1997 c 49 s 4 are each amended to read as follows:

(1) Each political subdivision of this state is hereby authorized and directed to establish a local organization or to be a member of a joint local organization for emergency management in accordance with the state comprehensive emergency management plan and program: PROVIDED, That a political subdivision proposing such establishment shall submit its plan and program for emergency management to the state director and secure his or her recommendations thereon, and verification of consistency with the state comprehensive emergency management plan, in order that the plan of the local organization for emergency management may be coordinated with the plan and program of the state. Local comprehensive emergency management plans must specify the use of the incident command system for multiagency/multijurisdiction operations. No political subdivision may be required to include in its plan provisions for the emergency evacuation or relocation of residents in anticipation of nuclear attack. If the director's recommendations are adverse to the plan as submitted, and, if the local organization does not agree to the director's recommendations for modification to the proposal, the matter shall be referred to the council for final action. The director may authorize two or more political subdivisions to join in the establishment and operation of a joint local organization for emergency management as circumstances may warrant, in which case each political subdivision shall contribute to the cost of emergency management upon such fair and equitable basis as may be determined upon by the executive heads of the constituent subdivisions. If in any case the executive heads cannot agree upon the proper division of cost the matter shall be referred to the council for arbitration and its decision shall be final. When two or more political subdivisions join in the establishment and operation of a joint local organization for emergency management each shall pay its share of the cost into a special pooled fund to be administered by the treasurer of the most populous subdivision, which fund shall be known as the emergency management fund. Each local organization or joint local organization for emergency management shall have a director who shall be appointed by the executive head of the political subdivision, and who shall have direct responsibility for the organization, administration, and operation of such local organization for emergency management, subject to the direction and control of such executive officer or officers. In the case of a joint local organization for emergency management, the director shall be appointed by the joint action of the executive heads of the constituent political subdivisions. Each local organization or joint local organization for emergency management shall perform emergency management functions within the territorial limits of the political subdivision within which it is organized, and, in addition, shall conduct such functions outside of such territorial limits as may be required pursuant to the provisions of this chapter.

(2) In carrying out the provisions of this chapter each political subdivision, in which any disaster as described in RCW 38.52.020 occurs, shall have the power to enter into contracts and incur obligations necessary to combat such disaster, protecting the

health and safety of persons and property, and providing emergency assistance to the victims of such disaster. Each political subdivision is authorized to exercise the powers vested under this section in the light of the exigencies of an extreme emergency situation without regard to time-consuming procedures and formalities prescribed by law (excepting mandatory constitutional requirements), including, but not limited to, budget law limitations, requirements of competitive bidding and publication of notices, provisions pertaining to the performance of public work, entering into contracts, the incurring of obligations, the employment of temporary workers, the rental of equipment, the purchase of supplies and materials, the levying of taxes, and the appropriation and expenditures of public funds.

(3)(a) Each local organization or joint local organization for emergency management that produces a local comprehensive emergency management plan must include a communication plan for notifying significant population segments of life safety information during an emergency. Local organizations and joint local organizations are encouraged to consult with affected community organizations in the development of the communication plans.

(i) In developing communication plans, local organizations and joint organizations should consider, as part of their determination of the extent of the obligation to provide emergency notification to significant population segments, the following factors: The number or proportion of the limited English proficiency persons eligible to be served or likely to be encountered; the frequency with which limited English proficiency individuals come in contact with the emergency notification; the nature and importance of the emergency notification, service, or program to people's lives; and the resources available to the political subdivision to provide emergency notifications.

(ii) "Significant population segment" means, for the purposes of this subsection (3), each limited English proficiency language group that constitutes five percent or one thousand residents, whichever is less, of the population of persons eligible to be served or likely to be affected within a city, town, or county. The office of financial management forecasting division's limited English proficiency population estimates are the demographic data set for determining eligible limited English proficiency language groups.

(b) Local organizations and joint local organizations must submit the plans produced under (a) of this subsection to the Washington military department emergency management division, and must implement those plans. An initial communication plan must be submitted with the local organization or joint local organization's next local emergency management plan update following the effective date of this section, and subsequent plans must be reviewed in accordance with the director's schedule.

(4) When conducting emergency or disaster after-action reviews, local organizations and joint local organizations must evaluate the effectiveness of communication of life safety information and must inform the emergency management division of the Washington military department of technological challenges which limited communications efforts, along with identifying recommendations and resources needed to address those challenges.

NEW SECTION. Sec. 5. A new section is added to chapter 38.52 RCW to read as follows:

(1) Beginning December 1, 2019, the Washington military department emergency management division must submit a report every five years to the relevant committees of the legislature containing the status of communication plans produced under RCW 38.52.070(3)(a).

(2) The emergency management division of the Washington military department must provide the legislature an annual report

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on instances of emergency or disaster in which communication of life safety information was technologically infeasible, as reported to the department pursuant to RCW 38.52.070(4). When potential technology solutions exist, the report must include recommendations and an estimate of resources required to remedy the infeasibility. The first annual report is due December 1, 2019.

NEW SECTION. Sec. 6. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2017, in the omnibus appropriations act, this act is null and void."

Correct the title.

NONA SNELL, Deputy Chief Clerk

MOTION

Senator Short moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5046.

Senators Short, Takko and Angel spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Short that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5046.

The motion by Senator Short carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 5046 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5046, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5046, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Hasegawa

SUBSTITUTE SENATE BILL NO. 5046, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

REPORT OF THE CONFERENCE COMMITTEE

Engrossed Senate Bill No. 5096

April 20, 2017

MR. PRESIDENT:

MR. SPEAKER:

We of your conference committee, to whom was referred Engrossed Senate Bill No. 5096, have had the same under consideration and recommend that all previous amendments not be adopted and that the following striking amendment be adopted:

Strike everything after the enacting clause and insert the following:

"2017-2019 FISCAL BIENNIUM

NEW SECTION. Sec. 26. (1) The transportation budget of the state 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, including the payment of any final judgments arising out of such activities, for the period ending June 30, 2019.

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

(a) "Fiscal year 2018" or "FY 2018" means the fiscal year ending June 30, 2018.

(b) "Fiscal year 2019" or "FY 2019" means the fiscal year ending June 30, 2019.

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

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

(e) "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.

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

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

GENERAL GOVERNMENT AGENCIES— OPERATING

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

Motor Vehicle Account—State Appropriation \$496,000

NEW SECTION. Sec. 102. FOR THE UTILITIES AND TRANSPORTATION COMMISSION

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

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

Motor Vehicle Account—State Appropriation \$1,580,000

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

TOTAL APPROPRIATION \$1,696,000

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

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

Motor Vehicle Account—State Appropriation \$986,000

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

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

Motor Vehicle Account—State Appropriation \$1,254,000

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

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

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

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

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

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

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

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

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

Motor Vehicle Account—State Appropriation \$597,000

NEW SECTION. Sec. 107. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Motor Vehicle Account—State Appropriation \$250,000

The appropriation in this section is subject to the following conditions and limitations: \$250,000 of the motor vehicle account—state appropriation is provided solely for the department, from amounts set aside out of statewide fuel taxes distributed to cities according to RCW 46.68.110(2), to contract with the Washington state association of cities to identify city-owned fish passage barriers that share the same stream system as state-owned fish passage barriers. The study must identify, map, and provide a preliminary assessment of city-owned barriers that need correction. The study must provide recommendations on: (a) How to prioritize city-owned barriers within the same stream system of state-owned barriers in the current six-year construction plan to maximize state investment; and (b) how future state six-year construction plans should incorporate city-owned barriers. A report must be provided to the office of financial management and the transportation committees of the legislature by July 1, 2018.

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

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

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

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

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

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

**TRANSPORTATION AGENCIES—OPERATING
NEW SECTION. Sec. 201. FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION**

Highway Safety Account—State Appropriation \$4,266,000

Highway Safety Account—Federal Appropriation \$22,048,000

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

School Zone Safety Account—State Appropriation \$850,000

TOTAL APPROPRIATION \$27,282,000

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

(1) \$100,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5402), Laws of 2017 (bicyclist safety advisory council). If chapter . . . (Substitute Senate Bill No. 5402), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.

(2) \$1,000,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Senate Bill No. 5037), Laws of 2017 (DUI fourth offense). If chapter . . . (Senate Bill No. 5037), Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses. The funding is provided for grants to organizations that seek to reduce driving under the influence of drugs and alcohol and for administering the program. \$108,806 of the amount provided in this subsection is for the commission to cover the costs associated with administering the grant program. The funding provided in this subsection is contingent on the availability of funds raised by the blood alcohol content test fee sufficient to cover the costs of administering the program, as provided in section 705 of this act.

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

Rural Arterial Trust Account—State Appropriation \$1,022,000

Motor Vehicle Account—State Appropriation \$2,504,000

County Arterial Preservation Account—State Appropriation \$1,541,000

TOTAL APPROPRIATION \$5,067,000

NEW SECTION. Sec. 203. FOR THE TRANSPORTATION IMPROVEMENT BOARD

Transportation Improvement Account—State Appropriation \$4,089,000

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

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Motor Vehicle Account—State	Appropriation
\$1,589,000	
Multimodal Transportation Account—State	Appropriation
\$700,000	
TOTAL APPROPRIATION	\$2,289,000

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

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

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

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

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

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

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

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

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

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

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

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

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

(iii) Identify underutilized capacity;

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

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

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

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

(B) Evaluate impediments to addressing those constraints;

(C) Evaluate options to address those constraints; and

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

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

(c) The study must provide recommendations regarding:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

NEW SECTION. Sec. 205. FOR THE TRANSPORTATION COMMISSION

Motor Vehicle Account—State Appropriation \$2,074,000

Multimodal Transportation Account—State Appropriation \$462,000

TOTAL APPROPRIATION \$2,536,000

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

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

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

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

The work group must submit a report with its preferred and prioritized policy solutions to the transportation committees of the legislature by December 1, 2017.

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

Motor Vehicle Account—State Appropriation \$818,000

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

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

State Patrol Highway Account—State Appropriation \$480,926,000

State Patrol Highway Account—Federal Appropriation \$14,025,000

State Patrol Highway Account—Private/Local Appropriation \$3,863,000

Highway Safety Account—State Appropriation \$1,067,000

Ignition Interlock Device Revolving Account—State Appropriation \$510,000

Multimodal Transportation Account—State Appropriation \$276,000

TOTAL APPROPRIATION \$500,667,000

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

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

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

(3) \$1,000,000 of the state patrol highway account—state appropriation is provided solely for ongoing support, system updates, maintenance, and an independent assessment of the P25 digital land mobile radio system. Of the amount provided in this subsection, \$400,000 must be used for the independent assessment of the P25 digital land mobile radio system. The independent assessment must identify implementation issues and coverage gaps and recommend strategies to address these issues

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and gaps. The assessment must be submitted to the governor and the transportation committees of the legislature by September 1, 2018. To the extent practicable, the Washington state patrol shall begin implementing recommendations before the completion of the independent assessment.

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

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

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

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

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

Marine Fuel Tax Refund Account—State	Appropriation	\$34,000	
Motorcycle Safety Education Account—State	Appropriation	\$4,523,000	
State Wildlife Account—State	Appropriation	\$1,030,000	
Highway Safety Account—State	Appropriation	\$202,973,000	
Highway Safety Account—Federal	Appropriation	\$3,215,000	
Motor Vehicle Account—State	Appropriation	\$90,659,000	
Motor Vehicle Account—Federal	Appropriation	\$329,000	
Motor Vehicle Account—Private/Local	Appropriation	\$2,048,000	
Ignition Interlock Device Revolving Account—State	Appropriation	\$5,250,000	
Department of Licensing Services Account—State	Appropriation	\$6,611,000	
License Plate Technology Account—State	Appropriation	\$3,000,000	
TOTAL APPROPRIATION		\$319,672,000	

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(16) \$112,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute Senate Bill No. 5338), Laws of 2017 (registration enforcement). If chapter . . . (Engrossed Substitute

Senate Bill No. 5338), Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses.

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

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

High Occupancy Toll Lanes Operations Account—State	
Appropriation	\$4,033,000
Motor Vehicle Account—State Appropriation	\$513,000
State Route Number 520 Corridor Account—State	
Appropriation	\$52,671,000
State Route Number 520 Civil Penalties Account—State	
Appropriation	\$4,328,000
Tacoma Narrows Toll Bridge Account—State	
Appropriation	\$32,134,000
Interstate 405 Express Toll Lanes Operations	
Account—State Appropriation	\$22,194,000
Alaskan Way Viaduct Replacement Project Account—State	
Appropriation	\$6,506,000
TOTAL APPROPRIATION	\$122,379,000

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

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

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

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

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

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

(a) Information on the travel times and travel time reliability (at a minimum, average and 90th percentile travel times) maintained during peak and nonpeak periods in the express toll

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lanes and general purpose lanes for both the entire corridor and commonly made trips in the corridor including, but not limited to, northbound from Bellevue to Rose Hill, state route number 520 at NE 148th to Interstate 405 at state route number 522, Bellevue to Bothell (both NE 8th to state route number 522 and NE 8th to state route number 527), and a trip internal to the corridor (such as NE 85th to NE 160th) and similar southbound trips;

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

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

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

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

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

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

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

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

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

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

(d) The department shall continue to work with the office of financial management, office of the chief information officer, and

the transportation committees of the legislature on the project management plan that includes a provision for independent verification and validation of contract deliverables from the successful bidder and a provision for quality assurance that includes reporting independently to the office of the chief information officer on an ongoing basis during system implementation.

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

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

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

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

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

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

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

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

(iv) Workload costs related to hearings;

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

(vi) Revenues generated from notices of civil penalty.

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

(9)(a) The department shall conduct a study before the planned replacement of equipment regarding the potential for conversion of at least two of the toll booths for the Tacoma Narrows bridge to unstaffed toll booths that exclusively accept credit cards for toll payment. The study must, at a minimum, consider the following:

(i) Operational savings associated with conversion;

(ii) Capital costs of conversion;

(iii) Additional operating costs associated with conversion; and

(iv) Any other operational issues associated with conversion.

(b) The department shall provide a report of its findings to the transportation committees of the legislature by November 15, 2017.

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

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

Motor Vehicle Account—State	Appropriation
\$83,572,000	
Puget Sound Ferry Operations Account—State	Appropriation
\$263,000	
Multimodal Transportation Account—State	Appropriation
\$2,876,000	
Transportation 2003 Account (Nickel Account)—State	Appropriation
\$1,460,000	
TOTAL APPROPRIATION	\$89,631,000

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

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

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

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

Motor Vehicle Account—State	Appropriation
\$28,146,000	
State Route Number 520 Corridor Account—State	Appropriation
\$34,000	
TOTAL APPROPRIATION	\$28,180,000

NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF TRANSPORTATION—AVIATION—PROGRAM F

Aeronautics Account—State	Appropriation
\$6,749,000	
Aeronautics Account—Federal	Appropriation
\$4,900,000	
Aeronautics Account—Private/Local	Appropriation
\$171,000	
TOTAL APPROPRIATION	\$11,820,000

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

NEW SECTION. Sec. 213. FOR THE DEPARTMENT OF TRANSPORTATION—PROGRAM DELIVERY MANAGEMENT AND SUPPORT—PROGRAM H

Motor Vehicle Account—State	Appropriation
\$54,512,000	
Motor Vehicle Account—Federal	Appropriation
\$500,000	
Multimodal Transportation Account—State	Appropriation
\$252,000	
TOTAL APPROPRIATION	\$55,264,000

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

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

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

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

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

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

NEW SECTION. Sec. 214. FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC-PRIVATE PARTNERSHIPS—PROGRAM K

Motor Vehicle Account—State	Appropriation	\$622,000
Electric Vehicle Charging Infrastructure	Account—State	Appropriation
\$1,000,000		
Multimodal Transportation Account—State	Appropriation	\$535,000
TOTAL APPROPRIATION	\$2,157,000	

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

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

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the transportation committees of the legislature upon release of the request for letters of interest and shall provide the transportation committees of the legislature with a summary of the information collected once the letters of interest have been received.

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

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

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

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

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

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

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

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

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

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

NEW SECTION. Sec. 215. FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M

Motor Vehicle Account—State Appropriation \$434,781,000

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

State Route Number 520 Corridor Account—State Appropriation \$4,447,000

Tacoma Narrows Toll Bridge Account—State Appropriation \$1,233,000

TOTAL APPROPRIATION \$447,461,000

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

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

(2) \$4,447,000 of the state route number 520 corridor account—state appropriation is provided solely to maintain the

state route number 520 floating bridge. These funds must be used in accordance with RCW 47.56.830(3).

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

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

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

(6) The department must maintain a maintenance budget for the Hood Canal bridge. Expenditures that result in exceeding the planned budget must be tracked.

NEW SECTION. Sec. 216. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—OPERATING

Motor Vehicle Account—State Appropriation \$62,578,000

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

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

TOTAL APPROPRIATION \$64,878,000

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

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

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

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

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

(5) During the 2017-2019 fiscal biennium, the department shall continue a pilot program that expands private transportation providers' access to high occupancy vehicle lanes. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, the following vehicles must be authorized to use the reserved portion of the highway if the vehicle has the capacity to carry eight or more passengers, regardless of the number of passengers in the vehicle:

(a) Auto transportation company vehicles regulated under chapter 81.68 RCW; (b) passenger charter carrier vehicles regulated

under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; (c) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and (d) private employer transportation service vehicles. For purposes of this subsection, "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees. Nothing in this subsection is intended to authorize the conversion of public infrastructure to private, for-profit purposes or to otherwise create an entitlement or other claim by private users to public infrastructure.

NEW SECTION. Sec. 217. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S

Motor Vehicle Account—State	Appropriation
\$32,794,000	
Motor Vehicle Account—Federal	Appropriation
\$1,656,000	
Multimodal Transportation Account—State	Appropriation
\$1,128,000	
TOTAL APPROPRIATION	\$35,578,000

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

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

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

NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION PLANNING, DATA, AND RESEARCH—PROGRAM T

Motor Vehicle Account—State	Appropriation
\$23,117,000	
Motor Vehicle Account—Federal	Appropriation
\$35,182,000	
Multimodal Transportation Account—State	Appropriation
\$711,000	
Multimodal Transportation Account—Federal	Appropriation
\$2,809,000	
Multimodal Transportation Account—Private/Local	Appropriation
\$100,000	
TOTAL APPROPRIATION	\$61,919,000

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

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

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

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

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

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

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

NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U

Motor Vehicle Account—State	Appropriation
\$69,997,000	
Multimodal Transportation Account—State	Appropriation
\$1,285,000	
TOTAL APPROPRIATION	\$71,282,000

NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V

State Vehicle Parking Account—State	Appropriation
\$754,000	
Regional Mobility Grant Program Account—State	Appropriation
\$93,920,000	
Rural Mobility Grant Program Account—State	Appropriation
\$32,223,000	
Multimodal Transportation Account—State	Appropriation
\$92,437,000	
Multimodal Transportation Account—Federal	Appropriation
\$3,574,000	
TOTAL APPROPRIATION	\$222,908,000

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

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

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

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helping hands organization for special needs transportation services.

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

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

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

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

(4) \$16,241,000 of the regional mobility grant program account—state appropriation is reappropriated and provided solely for the regional mobility grant projects identified in LEAP Transportation Document 2017-2 ALL PROJECTS as developed April 20, 2017, Program - Public Transportation Program (V).

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

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2017-2019 fiscal biennium, a transit agency must establish a process for private transportation providers to

apply for the use of park and ride facilities. For purposes of this subsection, (i) "private transportation provider" means: An auto transportation company regulated under chapter 81.68 RCW; a passenger charter carrier regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; a private nonprofit transportation provider regulated under chapter 81.66 RCW; or a private employer transportation service provider; and (ii) "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees.

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

(7) \$5,920,000 of the multimodal transportation account—state appropriation and \$754,000 of the state vehicle parking account—state appropriation are provided solely for CTR grants and activities. Of this amount, \$250,000 of the multimodal transportation account—state appropriation is provided solely for a voluntary pilot program to expand public-private partnership CTR incentives to make measurable reductions in off-peak, weekend, and nonwork trips. Ridesharing may be integrated into grant proposals. The department shall prioritize grant proposals that focus on the Interstate 90, Interstate 5, or Interstate 405 corridor. The department shall offer competitive trip-reduction grants. The department shall report to the transportation committees of the legislature by December 1, 2018, on the pilot program's impacts to the transportation system and potential improvements to the CTR grant program.

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

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

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

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

(12)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (4) of this

section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance one or more of the following projects:

- (i) King County Metro - RapidRide Expansion, Burien-Delridge (G2000031);
- (ii) King County Metro - Route 40 Northgate to Downtown (G2000032);
- (iii) Spokane Transit - Spokane Central City Line (G2000034);
- (iv) Kitsap Transit - East Bremerton Transfer Center (G2000039); or
- (v) City of Seattle - Northgate Transit Center Pedestrian Bridge (G2000041).

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

NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X

Puget Sound Ferry Operations Account—State	
Appropriation	\$496,307,000
Puget Sound Ferry Operations Account—Federal	
Appropriation	\$8,743,000
Puget Sound Ferry Operations Account—Private/Local	
Appropriation	\$121,000
TOTAL APPROPRIATION	\$505,171,000

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

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

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

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

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

of the board's diversity goals and the steps it will take to reach those goals.

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

NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—OPERATING

Multimodal Transportation Account—State	
Appropriation	\$80,146,000
Multimodal Transportation Account—Private/Local	
Appropriation	\$46,000
TOTAL APPROPRIATION	\$80,192,000

The appropriations in this section are subject to the following conditions and limitations: \$300,000 of the multimodal transportation account—state appropriation is provided solely for a consultant study of ultra high-speed ground transportation. "Ultra high-speed" means two hundred fifty miles per hour or more. The study must identify the costs and benefits of ultra high-speed ground transportation along a north-south alignment in Washington state. The study must provide:

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

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

(3) An analysis of the following key elements:

- (a) Economic feasibility;
- (b) Forecasted demand;
- (c) Corridor identification;
- (d) Land use and economic development and environmental implications;
- (e) Compatibility with other regional transportation plans, including interfaces and impacts on other travel modes such as air transportation;
- (f) Technological options for ultra high-speed ground transportation, both foreign and domestic;
- (g) Required specifications for speed, safety, access, and frequency;

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

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

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

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

NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING

Motor Vehicle Account—State	Appropriation
\$10,644,000	
Motor Vehicle Account—Federal	Appropriation
\$2,567,000	
Multiuse Roadway Safety Account—State	Appropriation
\$132,000	
TOTAL APPROPRIATION	\$13,343,000

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

TRANSPORTATION AGENCIES—CAPITAL

NEW SECTION. Sec. 301. FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Freight Mobility Investment Account—State
Appropriation \$22,462,000
Highway Safety Account—State Appropriation
\$1,900,000
Motor Vehicle Account—Federal Appropriation
\$3,250,000
Freight Mobility Multimodal Account—State
Appropriation \$21,843,000
Freight Mobility Multimodal Account—Private/Local
Appropriation \$1,320,000
TOTAL APPROPRIATION \$50,775,000

NEW SECTION. Sec. 302. FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State Appropriation
\$3,103,000

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

- (1) \$250,000 for emergency repairs;
- (2) \$728,000 for roof replacements;
- (3) \$2,000,000 for the state patrol academy in Shelton for replacement of the skid pan, repair of the training tank, and replacement of the HVAC system; and
- (4) \$125,000 for the Whiskey Ridge generator shelter.

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

NEW SECTION. Sec. 303. FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State Appropriation
\$58,186,000
Motor Vehicle Account—State Appropriation \$706,000
County Arterial Preservation Account—State
Appropriation \$35,434,000
TOTAL APPROPRIATION \$94,326,000

NEW SECTION. Sec. 304. FOR THE TRANSPORTATION IMPROVEMENT BOARD

Small City Pavement and Sidewalk Account—State
Appropriation \$5,780,000
Transportation Improvement Account—State
Appropriation \$240,300,000
Multimodal Transportation Account—State
Appropriation \$14,670,000
TOTAL APPROPRIATION \$260,750,000

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

- (1) The entire multimodal transportation account—state appropriation is provided solely for the complete streets program.
- (2) \$9,687,000 of the transportation improvement account—state appropriation is provided solely for:
 - (a) The arterial preservation program to help low tax-based, medium-sized cities preserve arterial pavements;
 - (b) The small city pavement program to help cities meet urgent preservation needs; and
 - (c) The small city low-energy street light retrofit program.

NEW SECTION. Sec. 305. FOR THE DEPARTMENT OF TRANSPORTATION—FACILITIES—PROGRAM D—(DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)—CAPITAL

Motor Vehicle Account—State Appropriation
\$6,087,000
Connecting Washington Account—State Appropriation
\$24,257,000
TOTAL APPROPRIATION \$30,344,000

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

- (1) \$16,170,000 of the connecting Washington account—state appropriation is provided solely for a new Olympic region maintenance and administration facility to be located on the department-owned site at the intersection of Marvin Road and 32nd Avenue in Lacey, Washington.
- (2) \$8,087,000 of the connecting Washington account—state appropriation is provided solely for a new administration facility on Euclid Avenue in Wenatchee, Washington.

NEW SECTION. Sec. 306. FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I

Transportation Partnership Account—State
Appropriation \$570,992,000
Motor Vehicle Account—State Appropriation
\$47,406,000
Motor Vehicle Account—Federal Appropriation
\$216,647,000
Motor Vehicle Account—Private/Local Appropriation
\$24,209,000
Connecting Washington Account—State
Appropriation \$1,159,822,000
Special Category C Account—State Appropriation
\$6,146,000
Multimodal Transportation Account—State
Appropriation \$15,162,000
Alaskan Way Viaduct Replacement Project Account—State
Appropriation \$122,046,000
Transportation 2003 Account (Nickel Account)—State
Appropriation \$51,115,000
Interstate 405 Express Toll Lanes Operations Account—State
Appropriation \$12,000,000
TOTAL APPROPRIATION \$2,225,545,000

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

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

amounts listed subject to the conditions and limitations in section 601 of this act.

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

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

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

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

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

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

(8) \$159,407,000 of the transportation partnership account—state appropriation, \$7,000 of the motor vehicle account—federal appropriation, \$8,000,000 of the motor vehicle account—private/local appropriation, \$29,100,000 of the transportation 2003 account (nickel account)—state appropriation, \$122,046,000 of the Alaskan Way viaduct replacement project account—state appropriation, and \$2,662,000 of the multimodal transportation account—state appropriation are provided solely for the SR 99/Alaskan Way Viaduct Replacement project (809936Z).

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

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

(11) \$5,804,000 of the transportation partnership account—state appropriation, \$5,162,000 of the transportation 2003 account (nickel account)—state appropriation, and \$146,000 of the special category C account—state appropriation are provided solely for the US 395/North Spokane Corridor project (600010A). Any future savings on the project must stay on the US 395/Interstate 90 corridor and be made available to the current

phase of the North Spokane corridor project or any future phase of the project in 2017-2019.

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

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

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

(b) \$44,311,000 of the transportation partnership account—state appropriation is provided solely for the SR 520 Bridge Replacement and HOV project (8BI1003).

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

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

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

(17) It is the intent of the legislature that a new I-5/Exit 274 Interchange project in Blaine be funded with \$12,100,000 of connecting Washington account—state funds in the 2023-2025 fiscal biennium and be changed accordingly on the LEAP transportation document referenced in subsection (1) of this section. This new project would create a new southbound off-ramp on Interstate 5 at Exit 274 onto Peace Portal Drive and a direct northbound connection to Blaine's industrial area from the existing northbound off-ramp by reconfiguring it to tie into Odell Street.

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

(19) \$93,500,000 of the connecting Washington account—state appropriation is provided solely for the SR 167/SR 509 Puget Sound Gateway project (M00600R). Any savings on the project must stay on the Puget Sound gateway corridor until the project is complete.

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

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

(c) During the course of developing the memorandum of understanding, the department must evaluate the project schedules to determine if there are any benefits to be gained by moving the project schedule forward. Additionally, the department must consider completing a full single-point urban interchange at the junction of state route number 161 (Meridian avenue) and state route number 167 and a full single-point urban interchange at the junction of state route number 509 and 188th Street. If the department receives additional funds from an outside source for this project, the funds must be applied toward the completion of these two full single-point urban interchanges.

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

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

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

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

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

(23)(a) The legislature recognizes that the city of Mercer Island has unique access issues that require the use of Interstate 90 to leave the island and that this access may be affected by the I-90/Two-Way Transit and HOV Improvements project. One of the most heavily traveled on-ramps from Mercer Island to the westbound Interstate 90 general purpose lanes is from Island Crest Way. The department must continue to consult with the city of Mercer Island and the other signatories to the 1976 memorandum of agreement to preserve access provided to Mercer Island by the Island Crest Way on-ramp, and thus grandfather in

the current use of the on-ramp for both high occupancy vehicles as well as vehicles seeking to access the general purpose lanes of Interstate 90. The department must consider all reasonable access solutions, including allowing all vehicles to use the Island Crest Way on-ramp to access the new high occupancy vehicle lane with a reasonable and safe distance provided for single-occupancy vehicles to merge into the general purpose lanes.

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

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

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

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

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

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

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

- (i) SR 20/Sharpes Corner Vicinity Intersection (L1000112);
- (ii) I-5/Marvin Road/SR 510 Interchange (L1100110);
- (iii) I-5/Northbound On-ramp at Bakerview (L2000119);
- (iv) US 395/Ridgeline Intersection (L2000127);
- (v) I-90/Eastside Restripe Shoulders (L2000201);
- (vi) SR 240/Richland Corridor Improvements (L2000202);
- (vii) SR 14/Bingen Overpass (L2220062);

- (viii) US Hwy 2 Safety (N00200R);
- (ix) SR 520/148th Ave NE Overlake Access Ramp (L1100101);
- (x) SR 28/SR 285 North Wenatchee Area Improvements (L2000061);
- (xi) I-5/Rebuild Chambers Way Interchange Improvements (L2000223);
- (xii) SR 28 East Wenatchee Corridor Improvements (T10300R);
- (xiii) SR 3/Belfair Bypass – New Alignment (T30400R); or
- (xiv) SR 510/Yelm Loop Phase 2 (T32700R).

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

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

(30) Among the options studied as part of the SR 410 Corridor Study project (L1000174), the department shall examine the mobility and safety benefits of replacing or expanding the White River bridge between Enumclaw and Buckley to four lanes and removing the trestle.

NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF TRANSPORTATION—PRESERVATION—PROGRAM P

Recreational Vehicle Account—State	Appropriation	\$2,480,000
Transportation Partnership Account—State	Appropriation	\$204,000
Motor Vehicle Account—State	Appropriation	\$49,192,000
Motor Vehicle Account—Federal	Appropriation	\$515,368,000
Motor Vehicle Account—Private/Local	Appropriation	\$10,400,000
State Route Number 520 Corridor Account—State	Appropriation	\$498,000
Connecting Washington Account—State	Appropriation	\$185,030,000
Tacoma Narrows Toll Bridge Account—State	Appropriation	\$384,000
Transportation 2003 Account (Nickel Account)—State	Appropriation	\$58,894,000
TOTAL APPROPRIATION		\$822,450,000

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

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

(2) Except as otherwise provided in this section, the entire transportation 2003 account (nickel account)—state appropriation is provided solely for the projects and activities as

listed in LEAP Transportation Document 2017-1 as developed April 20, 2017, Program – Highway Preservation Program (P).

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

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

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

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

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

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

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

(10)(a) \$4,820,000 of the motor vehicle account—federal appropriation and \$182,000 of the motor vehicle account—state appropriation are provided solely for weigh station preservation (OBP3006). These amounts must be held in unallotted status,

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except that the director of the office of financial management may approve allotment of the funds upon fulfillment of the conditions of (b) of this subsection.

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

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

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

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

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

NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—CAPITAL

Motor Vehicle	Account—State	Appropriation
\$4,913,000		
Motor Vehicle	Account—Federal	Appropriation
\$5,106,000		
Motor Vehicle	Account—Private/Local	Appropriation
\$500,000		
TOTAL APPROPRIATION		\$10,519,000

The appropriations in this section are subject to the following conditions and limitations: The department shall set aside a sufficient portion of the motor vehicle account—state appropriation for federally selected competitive grants or congressional earmark projects that require matching state funds. State funds set aside as matching funds for federal projects must be accounted for in project 000005Q and remain in unallotted status until needed for those federal projects.

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

Puget Sound Capital Construction Account—State	
Appropriation	\$59,924,000

Puget Sound Capital Construction Account—Federal		
Appropriation	\$152,838,000	
Puget Sound Capital Construction Account—Private/Local		
Appropriation	\$15,654,000	
Transportation Partnership Account—State		
Appropriation	\$2,923,000	
Connecting Washington Account—State	Appropriation	
\$142,837,000		
TOTAL APPROPRIATION		\$374,176,000

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

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

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

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

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

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

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

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

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

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

(iii) Review vessel needs by route and propose a vessel replacement schedule, vessel retirement schedule, and estimated

number of vessels needed. This analysis should also articulate a reserve vessel strategy;

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

- (A) Anticipated crewing requirements;
- (B) Fuel type;
- (C) Other operating and maintenance costs;

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

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

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

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

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

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

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

Essential Rail Assistance Account—State	Appropriation	\$424,000
Transportation Infrastructure Account—State	Appropriation	\$5,367,000
Multimodal Transportation Account—State	Appropriation	\$51,665,000
Multimodal Transportation Account—Federal	Appropriation	\$1,487,000
TOTAL APPROPRIATION		\$58,943,000

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

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

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

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

(4) \$367,000 of the transportation infrastructure account—state appropriation and \$1,100,000 of the multimodal transportation account—state appropriation are provided solely to reimburse Highline Grain, LLC for approved work completed on Palouse River and Coulee City (PCC) railroad track in Spokane county between the BNSF Railway Interchange at Cheney and

Geiger Junction and must be administered in a manner consistent with freight rail assistance program projects. The value of the public benefit of this project is expected to meet or exceed the cost of this project in: Shipper savings on transportation costs; jobs saved in rail-dependent industries; and/or reduced future costs to repair wear and tear on state and local highways due to fewer annual truck trips (reduced vehicle miles traveled). The amounts provided in this subsection are not a commitment for future legislatures, but it is the legislature's intent that future legislatures will work to approve biennial appropriations until the full \$7,337,000 cost of this project is reimbursed.

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

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

(i) Revenues 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.

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

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

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

Highway Infrastructure Account—State	Appropriation	\$293,000
Highway Infrastructure Account—Federal	Appropriation	\$218,000
Transportation Partnership Account—State	Appropriation	\$1,143,000
Highway Safety Account—State	Appropriation	\$2,388,000
Motor Vehicle Account—State	Appropriation	\$15,080,000
Motor Vehicle Account—Federal	Appropriation	\$65,187,000
Motor Vehicle Account—Private/Local	Appropriation	\$18,000,000
Connecting Washington Account—State	Appropriation	\$118,293,000
Multimodal Transportation Account—State		

Appropriation \$56,079,000
 TOTAL APPROPRIATION \$276,681,000

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

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

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

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

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

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

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

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

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

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

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

- (i) SR 502 Main Street Project/Widening (L2000065);
- (ii) Complete SR 522 Improvements-Kenmore (T10600R);
- (iii) Issaquah-Fall City Road (L1000094);
- (iv) Lewis Street Bridge (L2000066);
- (v) Covington Connector (L2000104);
- (vi) Orchard Street Connector (L2000120);
- (vii) Harbour Reach Extension (L2000136);
- (viii) Sammamish Bridge Corridor (L2000137);
- (ix) Brady Road (L2000164);
- (x) Thornton Road Overpass (L2000228);
- (xi) I-5/Port of Tacoma Road Interchange (L1000087);
- (xii) Wilburton Reconnection Project (G2000006);
- (xiii) SR 520 Trail Grade Separation at 40th Street (G2000013);
- (xiv) Bay Street Pedestrian Project (G2000015); or
- (xv) Cowiche Canyon Trail (G2000010).

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

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

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

NEW SECTION. Sec. 312. ANNUAL REPORTING REQUIREMENTS FOR CAPITAL PROGRAM

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

identifies highway projects that have lost significant local or regional contributions that were essential to completing the project; and (e) identifies contingency amounts allocated to projects.

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

NEW SECTION. Sec. 313. QUARTERLY REPORTING REQUIREMENTS FOR CAPITAL PROGRAM

On a quarterly basis, the department of transportation shall provide to the office of financial management and the legislative transportation committees the following reports for all capital programs:

(1) For active projects, the report must include:

(a) A TEIS version containing actual capital expenditures for all projects consistent with the structure of the most recently enacted budget;

(b) Anticipated cost savings, cost increases, reappropriations, and schedule adjustments for all projects consistent with the structure of the most recently enacted budget;

(c) The award amount, the engineer's estimate, and the number of bidders for all active projects consistent with the structure of the most recently enacted budget;

(d) Projected costs and schedule for individual projects that are funded at a programmatic level for projects relating to bridge rail, guard rail, fish passage barrier removal, roadside safety projects, and seismic bridges. Projects within this programmatic level funding must be completed on a priority basis and scoped to be completed within the current programmatic budget;

(e) Highway projects that may be reduced in scope and still achieve a functional benefit;

(f) Highway projects that have experienced scope increases and that can be reduced in scope;

(g) Highway projects that have lost significant local or regional contributions that were essential to completing the project; and

(h) Contingency amounts for all projects consistent with the structure of the most recently enacted budget.

(2) For completed projects, the report must:

(a) Compare the costs and operationally complete date for projects with budgets of twenty million dollars or more that are funded with preexisting funds to the original project cost estimates and schedule; and

(b) Provide a list of nickel and TPA projects charging to the nickel/TPA environmental mitigation reserve (OBI4ENV) and the amount each project is charging.

(3) For prospective projects, the report must:

(a) Identify the estimated advertisement date for all projects consistent with the structure of the most recently enacted transportation budget that are going to advertisement during the current fiscal biennium;

(b) Identify the anticipated operationally complete date for all projects consistent with the structure of the most recently enacted transportation budget that are going to advertisement during the current fiscal biennium; and

(c) Identify the estimated cost of completion for all projects consistent with the structure of the most recently enacted transportation budget that are going to advertisement during the current fiscal biennium.

NEW SECTION. Sec. 314. FEDERAL FUNDS RECEIVED FOR CAPITAL PROJECT EXPENDITURES

To the greatest extent practicable, the department of transportation shall expend federal funds received for capital project expenditures before state funds.

TRANSFERS AND DISTRIBUTIONS

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

Transportation Partnership Account—State
Appropriation \$2,239,000
Connecting Washington Account—State Appropriation
\$1,802,000
Highway Bond Retirement Account—State
Appropriation \$1,238,072,000
Ferry Bond Retirement Account—State Appropriation
\$28,873,000
Transportation Improvement Board Bond Retirement
Account—State Appropriation \$13,254,000
Nondebt-Limit Reimbursable Bond Retirement
Account—State Appropriation \$26,609,000
Toll Facility Bond Retirement Account—State
Appropriation \$86,493,000
Transportation 2003 Account (Nickel Account)—State
Appropriation \$323,000
TOTAL APPROPRIATION \$1,397,665,000

NEW SECTION. Sec. 402. 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 \$448,000
Connecting Washington Account—State Appropriation
\$360,000
Transportation 2003 Account (Nickel Account)—State
Appropriation \$65,000
TOTAL APPROPRIATION \$873,000

NEW SECTION. Sec. 403. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT TO BE PAID BY STATUTORILY PRESCRIBED REVENUE

Toll Facility Bond Retirement Account—Federal
Appropriation \$199,901,000
Toll Facility Bond Retirement Account—State
Appropriation \$25,372,000
TOTAL APPROPRIATION \$225,273,000

NEW SECTION. Sec. 404. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

Motor Vehicle Account—State Appropriation:
For motor vehicle fuel tax distributions to
cities and counties \$514,648,000

NEW SECTION. Sec. 405. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

Multimodal Transportation Account—State
Appropriation: For distribution to
cities and counties \$26,786,000
Motor Vehicle Account—State
Appropriation: For distribution to
cities and counties \$23,438,000
TOTAL APPROPRIATION \$50,224,000

NEW SECTION. Sec. 406. FOR THE STATE TREASURER—TRANSFERS

Motor Vehicle Account—State Appropriation:

For motor vehicle fuel tax refunds and statutory transfers \$2,196,693,000

NEW SECTION. Sec. 407. FOR THE DEPARTMENT

OF LICENSING—TRANSFERS

Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax refunds and transfers \$200,747,000

NEW SECTION. Sec. 408. FOR THE STATE

TREASURER—ADMINISTRATIVE TRANSFERS

(1) State Patrol Highway Account—State Appropriation: For transfer to the Connecting Washington Account—State \$21,221,000

(2) Transportation Partnership Account—State Appropriation: For transfer to the Connecting Washington Account—State \$10,946,000

(3) Highway Safety Account—State Appropriation: For transfer to the Multimodal Transportation Account—State \$57,000,000

(4) Motor Vehicle Account—State Appropriation: For transfer to the Connecting Washington Account—State \$56,464,000

(5) Motor Vehicle Account—State Appropriation: For transfer to the Freight Mobility Investment Account—State \$8,511,000

(6) Motor Vehicle Account—State Appropriation: For transfer to the Puget Sound Capital Construction Account—State \$20,000,000

(7) Motor Vehicle Account—State Appropriation: For transfer to the Rural Arterial Trust Account—State \$4,844,000

(8) Motor Vehicle Account—State Appropriation: For transfer to the Transportation Improvement Account—State \$9,688,000

(9) Motor Vehicle Account—State Appropriation: For transfer to the State Patrol Highway Account—State \$43,000,000

(10) Puget Sound Ferry Operations Account—State Appropriation: For transfer to the Connecting Washington Account—State \$1,305,000

(11) Rural Mobility Grant Program Account—State Appropriation: For transfer to the Multimodal Transportation Account—State \$3,000,000

(12) State Route Number 520 Civil Penalties Account—State Appropriation: For transfer to the State Route Number 520 Corridor Account—State \$1,240,000

(13) Capital Vessel Replacement Account—State Appropriation: For transfer to the Connecting Washington Account—State \$36,500,000

(14) Multimodal Transportation Account—State Appropriation: For transfer to the Freight Mobility Multimodal Account—State \$8,511,000

(15) Multimodal Transportation Account—State Appropriation: For transfer to the Puget Sound Capital Construction Account—State \$32,000,000

(16) Multimodal Transportation Account—State Appropriation: For transfer to the Puget Sound Ferry Operations Account—State \$20,000,000

(17) Multimodal Transportation Account—State Appropriation: For transfer to the Regional Mobility Grant Program Account—State \$27,679,000

(18) Multimodal Transportation Account—State Appropriation: For transfer to the Rural

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

(19) Tacoma Narrows Toll Bridge Account—State Appropriation: For transfer to the Motor Vehicle Account—State \$950,000

(20) Transportation 2003 Account (Nickel Account)—State Appropriation: For transfer to the Connecting Washington Account—State \$22,970,000

(21)(a) Interstate 405 Express Toll Lanes Operations Account—State Appropriation: For transfer to the Motor Vehicle Account—State \$2,019,000

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

(22)(a) Transportation Partnership Account—State Appropriation: For transfer to the Alaskan Way Viaduct Replacement Project Account—State \$122,046,000

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

(23)(a) Motor Vehicle Account—State Appropriation: For transfer to the Tacoma Narrows Toll Bridge Account—State \$5,000,000

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

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

(25)(a) General Fund Account—State Appropriation: For transfer to the State Patrol Highway Account—State \$625,000

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

(26)(a) Motor Vehicle Account—State Appropriation: For transfer to the Alaskan Way Viaduct Replacement Project Account—State \$6,506,000

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

NEW SECTION. Sec. 409. The department of transportation is authorized to undertake federal advance construction projects under the provisions of 23 U.S.C. Sec. 115 in order to maintain progress in meeting approved highway construction and preservation objectives. The legislature recognizes that the use of state funds may be required to temporarily fund expenditures of the federal appropriations for the highway construction and preservation programs for federal advance construction projects prior to conversion to federal funding.

COMPENSATION

NEW SECTION. Sec. 501. GENERAL STATE EMPLOYEE COMPENSATION ADJUSTMENTS

Except as otherwise provided in sections 502 through 516 of this act, state employee compensation adjustments will be

provided in accordance with funding adjustments provided in the 2017-2019 omnibus appropriations act.

NEW SECTION. Sec. 502. COLLECTIVE BARGAINING AGREEMENTS NOT IMPAIRED

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

NEW SECTION. Sec. 503. COLLECTIVE BARGAINING AGREEMENTS

Sections 504 through 516 of this act represent the results of the 2017-2019 collective bargaining process required under chapters 47.64 and 41.56 RCW. Provisions of the collective bargaining agreements contained in sections 504 through 516 of this act are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreements. The collective bargaining agreements contained in sections 504 through 516 of this act may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided.

NEW SECTION. Sec. 504. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—OPEIU

An agreement has been reached between the governor and the office and professional employees international union local eight (OPEIU) through an interest arbitration award pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for the awarded six and one-half percent general wage increase effective July 1, 2017, and six and one-half percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and restructuring of the pay schedule.

NEW SECTION. Sec. 505. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—FASPAA

An agreement has been reached between the governor and the ferry agents, supervisors, and project administrators association pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2017, and a two percent general wage increase effective July 1, 2018.

NEW SECTION. Sec. 506. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—SEIU LOCAL 6

An agreement has been reached between the governor and the service employees international union local 6 pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a six percent general wage increase effective July 1, 2017, and a four percent general wage increase effective July 1, 2018.

NEW SECTION. Sec. 507. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—CARPENTERS

An agreement has been reached between the governor and the Pacific Northwest regional council of carpenters through an interest arbitration award pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for the awarded four percent general wage increase effective July 1, 2017, and three percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for increases in the wage differential among certain job classifications.

NEW SECTION. Sec. 508. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—METAL TRADES

An agreement has been reached between the governor and the Puget Sound metal trades council through an interest arbitration award pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for the awarded three percent general wage increase effective July 1, 2017, and three percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for increases in the wage differential among certain job classifications.

NEW SECTION. Sec. 509. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—MEBA-UL

An agreement has been reached between the governor and the marine engineers' beneficial association unlicensed engine room employees pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2017, and a two percent general wage increase effective July 1, 2018.

NEW SECTION. Sec. 510. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—MEBA-L

An agreement has been reached between the governor and the marine engineers' beneficial association licensed engineer officers pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2017, and a two percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for an additional pay increase to address inversion among certain job classifications.

NEW SECTION. Sec. 511. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—MM&P MATES

An agreement has been reached between the governor and the master, mates, and pilots - mates pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2017, and a two percent general wage increase effective July 1, 2018.

NEW SECTION. Sec. 512. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—MM&P MASTERS

An agreement has been reached between the governor and the master, mates, and pilots - masters through an interest arbitration award pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a five and one-half percent general wage increase effective July 1, 2017, and a two and one-half percent general wage increase effective July 1, 2018. The award also includes and funding is provided for an additional pay increase to address inversion among certain job classifications.

NEW SECTION. Sec. 513. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—MM&P WATCH CENTER SUPERVISORS

An agreement has been reached between the governor and the master, mates, and pilots - watch center supervisors pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2017, and a one percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for an increase for the fleet safety and training administrators equal to the same hourly rate of pay as the watch center supervisors.

NEW SECTION. Sec. 514. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—IBU

An agreement has been reached between the governor and the inlandboatmen's union pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a four percent

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general wage increase effective July 1, 2017, and a one percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for increases in the wage differential among certain job classifications and for employees hired on or after June 30, 2011, an increase in leave earned.

NEW SECTION. Sec. 515. COLLECTIVE BARGAINING AGREEMENT—WSP TROOPERS ASSOCIATION

An agreement has been reached between the governor and the Washington state patrol troopers association pursuant to chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is provided for a sixteen percent general wage increase for troopers effective July 1, 2017, and a three percent general wage increase for troopers effective July 1, 2018. Funding is also provided for a twenty percent general wage increase for sergeants effective July 1, 2017, and a three percent general wage increase for sergeants effective July 1, 2018. The agreement also includes and funding is provided for increases to longevity pay, changes to specialty pay, and an increase to vacation accruals.

NEW SECTION. Sec. 516. COLLECTIVE BARGAINING AGREEMENT—WSP LIEUTENANTS ASSOCIATION

An agreement has been reached between the governor and the Washington state patrol lieutenants association pursuant to chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is provided for a twenty percent general wage increase effective July 1, 2017, and a three percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for increases to longevity pay.

IMPLEMENTING PROVISIONS

NEW SECTION. Sec. 601. FUND TRANSFERS

(1) The 2005 transportation partnership projects or improvements and 2015 connecting Washington projects or improvements are listed in the LEAP Transportation Document 2017-1 as developed April 20, 2017, which consists of a list of specific projects by fund source and amount over a sixteen-year period. Current fiscal biennium funding for each project is a line-item appropriation, while the outer year funding allocations represent a sixteen-year plan. The department of transportation is expected to use the flexibility provided in this section to assist in the delivery and completion of all transportation partnership account and connecting Washington account projects on the LEAP transportation document referenced in this subsection. For the 2017-2019 project appropriations, unless otherwise provided in this act, the director of the office of financial management may provide written authorization for a transfer of appropriation authority between projects funded with transportation partnership account appropriations or connecting Washington account appropriations to manage project spending and efficiently deliver all projects in the respective program under the following conditions and limitations:

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

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

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

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

(e) Transfers may not be made while the legislature is in session;

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

(g) Each transfer between projects may only occur if the director of the office of financial management finds that any resulting change will not hinder the completion of the projects as approved by the legislature. Until the legislature reconvenes to consider the 2018 supplemental omnibus transportation appropriations act, any unexpended 2015-2017 appropriation balance as approved by the office of financial management, in consultation with the legislative staff of the house of representatives and senate transportation committees, may be considered when transferring funds between projects; and

(h) Transfers between projects may be made by the department of transportation without the formal written approval provided under this subsection (1), provided that the transfer amount does not exceed two hundred fifty thousand dollars or ten percent of the total project, whichever is less. These transfers must be reported quarterly to the director of the office of financial management and the chairs of the house of representatives and senate transportation committees.

(2) The department of transportation must submit quarterly all transfers authorized under this section in the transportation executive information system. The office of financial management must maintain a legislative baseline project list identified in the LEAP transportation documents referenced in this act, and update that project list with all authorized transfers under this section.

(3) At the time the department submits a request to transfer funds under this section, a copy of the request must be submitted to the transportation committees of the legislature.

(4) Before approval, the office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested transfers in a timely manner.

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

(6) The department must submit annually as part of its budget submittal a report detailing all transfers made pursuant to this section.

NEW SECTION. Sec. 602. To the extent that any appropriation authorizes expenditures of state funds from the motor vehicle account, special category C account, Tacoma Narrows toll bridge account, transportation 2003 account (nickel account), transportation partnership account, transportation improvement account, Puget Sound capital construction account, multimodal transportation account, state route number 520 corridor account, or other transportation capital project account in the state treasury for a state transportation program that is specified to be funded with proceeds from the sale of bonds authorized in chapter 47.10 RCW, the legislature declares that any such expenditures made before the issue date of the applicable transportation bonds for that state transportation program are intended to be reimbursed from proceeds of those transportation bonds in a maximum amount equal to the amount of such appropriation.

NEW SECTION. Sec. 603. BELATED CLAIMS

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

NEW SECTION. Sec. 604. FOR THE DEPARTMENT OF TRANSPORTATION

(1) As part of its 2018 supplemental budget submittal, the department shall provide a report to the legislature and the office of financial management that:

(a) Identifies, by capital project, the amount of state funding that has been reappropriated from the 2015-2017 fiscal biennium into the 2017-2019 fiscal biennium; and

(b) Identifies, for each project, the amount of cost savings or increases in funding that have been identified as compared to the 2015 enacted omnibus transportation appropriations act.

(2) As part of the agency request for capital programs, the department shall load reappropriations separately from funds that were assumed to be required for the 2017-2019 fiscal biennium into budgeting systems.

NEW SECTION. Sec. 605. FOR THE DEPARTMENT OF TRANSPORTATION—WEB SITE REPORTING REQUIREMENTS

(1) The department of transportation shall post on its web site every report that is due from the department to the legislature during the 2017-2019 fiscal biennium on one web page. The department must post both completed reports and planned reports on a single web page.

(2) The department shall provide a web link for each change order that is more than five hundred thousand dollars on the affected project web page.

NEW SECTION. Sec. 606. (1) By November 15, 2017, and annually thereafter, the department of transportation must report on amounts expended to benefit transit, bicycle, or pedestrian elements within all connecting Washington projects in programs I, P, and Z identified in LEAP Transportation Document 2017-2 ALL PROJECTS as developed April 20, 2017. The report must address each modal category separately and identify if eighteenth amendment protected funds have been used and, if not, the source of funding.

(2) To facilitate the report in subsection (1) of this section, the department of transportation must require that all bids on connecting Washington projects include an estimate on the cost to implement any transit, bicycle, or pedestrian project elements.

NEW SECTION. Sec. 607. PROJECT SCOPE CHANGES

(1) The legislature finds that in the course of efficiently delivering connecting Washington projects, it is necessary to create a process for the department of transportation to request and receive approval of practical design-related project scope changes while the legislature is not in session. During the 2017-2019 fiscal biennium, the director of the office of financial management may approve project scope change requests to connecting Washington projects in the highway improvements program, provided that the requests meet the criteria outlined in RCW 47.01.480 and are subject to the limitations in this section.

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

(3) Before approval, the office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested project scope changes.

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

(5) As part of its annual budget submittal, the department of transportation must report on all approved scope change requests

from the prior year, including a comparison of the scope before and after the requested change.

NEW SECTION. Sec. 608. FOR THE DEPARTMENT OF TRANSPORTATION

The department of transportation may provide up to three million dollars in toll credits to Kitsap transit for its role in passenger-only ferry service and ferry corridor-related projects. The number of toll credits provided must be equal to, but no more than, the number sufficient to meet federal match requirements for grant funding for passenger-only ferry service, but must not exceed the amount authorized in this section.

**MISCELLANEOUS 2017-2019 FISCAL BIENNIUM
NEW SECTION. Sec. 701. INFORMATION TECHNOLOGY PROJECTS**

(1) All appropriations for designated information technology projects in this act must be placed in unallotted status and must not be expended before the office of the chief information officer certifies that the project complies with state information technology and security policy and strategies. At a minimum, the office of the chief information officer must certify, if the chief information officer deems appropriate, that the project meets critical project success factors, aligns with statewide technology strategy and architecture, reuses existing technology services and solutions, minimizes custom development, complies with security and other policy requirements, and uses modularized, component-based architectures. The office of the chief information officer must evaluate the project at the appropriate stages. The office of the chief information officer must notify the office of financial management and the legislative fiscal committees each time it certifies a project is ready to proceed with the next stage. Appropriations may then be allotted for that certified phase only.

(2) The chief information officer may suspend or terminate a project at any time if the chief information officer determines that the project is not meeting or not expected to meet anticipated performance and technology outcomes. Once suspension or termination occurs, the agency shall not make additional expenditures on the project without approval of the chief information officer.

The following projects are subject to the conditions, limitations, and review provided in this section: Department of Transportation – Labor System Replacement, Department of Transportation – New Ferry Division Dispatch System, Department of Transportation - Land Mobile Radio System Replacement, and Department of Transportation - New CSC System and Operator.

(3) The office of the chief information officer, in consultation with the office of financial management, may identify additional projects to be subject to this section other than those listed in subsection (2) of this section, including projects that are not separately identified within an agency budget.

NEW SECTION. Sec. 702. SETTLEMENT FUNDS EXPENDITURE

The legislature finds that it is appropriate to provide a framework for the administration of mitigation funds provided to the state as a beneficiary under the terms of the consent decrees entered into by the United States, Volkswagen AG, and other participating parties that settle emissions-related claims for 2.0 and 3.0 liter diesel vehicles of certain models and years. The legislature deems the department of ecology the responsible agency for the administration and expenditure of funds provided by the trustee under the terms of the consent decrees, including the development of a mitigation plan to guide the use of the funds, whether or not the department receives funds directly for projects included in the plan.

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The legislature also finds that a framework to govern the administration of mitigation funds requires appropriations, guiding principles, allocation of funds, consideration of agencies' roles, legislative oversight, and ancillary provisions. Accordingly, the omnibus capital budget for the department of ecology includes the necessary provisions to administer the mitigation funds and the development of the mitigation plan. With respect to this act and transportation governance generally, these provisions require: The participation of legislators from the transportation committees as part of a legislative work group; consultation by the department of ecology with the department of transportation on several components of the plan development and implementation; and consideration of and coordination with the several transportation programs and policies that intersect with potential mitigation actions that may become part of the plan. The department of transportation is directed to work with the department of ecology as needed to facilitate the plan development and implementation.

Sec. 703. RCW 43.19.642 and 2016 c 197 s 2 are each amended to read as follows:

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

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

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

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

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

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

(5) During the ~~((2011-2013, 2013-2015, and))~~ 2015-2017 and 2017-2019 fiscal biennia, the Washington state ferries is required to use a minimum of five percent biodiesel as compared to total volume of all diesel purchases made by the Washington state ferries for the operation of the Washington state ferries diesel-powered vessels, as long as the price of a B5 biodiesel blend does not exceed the price of conventional diesel fuel by five percent or more.

Sec. 704. RCW 46.20.745 and 2013 c 306 s 712 are each amended to read as follows:

(1) The ignition interlock device revolving account program is created within the department to assist in covering the monetary costs of installing, removing, and leasing an ignition interlock device, and applicable licensing, for indigent persons who are required under RCW 46.20.385, 46.20.720, and 46.61.5055 to install an ignition interlock device in all vehicles owned or operated by the person. For purposes of this subsection, "indigent" has the same meaning as in RCW 10.101.010, as determined by the department. During the ~~((2013-2015))~~ 2017-

2019 fiscal biennium, the ignition interlock device revolving account program also includes ignition interlock enforcement work conducted by the Washington state patrol.

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

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

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

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

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

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

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

Sec. 705. RCW 46.61.5054 and 2017 c ... (SB 5037) s 5 are each amended to read as follows:

(1)(a) In addition to penalties set forth in RCW 46.61.5051 through 46.61.5053 until September 1, 1995, and RCW 46.61.5055 thereafter, a two hundred fifty dollar fee shall be assessed to a person who is either convicted, sentenced to a lesser charge, or given deferred prosecution, as a result of an arrest for violating RCW 46.61.502, 46.61.504, 46.61.520, or 46.61.522. This fee is for the purpose of funding the Washington state toxicology laboratory and the Washington state patrol for grants and activities to increase the conviction rate and decrease the incidence of persons driving under the influence of alcohol or drugs.

(b) Upon a verified petition by the person assessed the fee, the court may suspend payment of all or part of the fee if it finds that the person does not have the ability to pay.

(2) The fee assessed under subsection (1) of this section shall be collected by the clerk of the court and, subject to subsection (5) of this section, one hundred seventy-five dollars of the fee must be distributed as follows:

(a) Forty percent shall be subject to distribution under RCW 3.46.120, 3.50.100, 35.20.220, 3.62.020, 3.62.040, or 10.82.070.

(b) The remainder of the fee shall be forwarded to the state treasurer who shall, through June 30, 1997, deposit: Fifty percent in the death investigations' account to be used solely for funding the state toxicology laboratory blood or breath testing programs; and fifty percent in the state patrol highway account to be used solely for funding activities to increase the conviction rate and decrease the incidence of persons driving under the influence of alcohol or drugs. Effective July 1, 1997, the remainder of the fee shall be forwarded to the state treasurer who shall deposit: Fifteen percent in the death investigations' account to be used solely for funding the state toxicology laboratory blood or breath testing programs; and eighty-five percent in the state patrol highway account to be used solely for funding activities to increase the conviction rate and decrease the incidence of persons driving under the influence of alcohol or drugs.

(3) Twenty-five dollars of the fee assessed under subsection (1) of this section must be distributed to the highway safety fund to be used solely for funding Washington traffic safety commission grants to reduce statewide collisions caused by persons driving under the influence of alcohol or drugs. Grants awarded under this subsection may be for projects that encourage collaboration with other community, governmental, and private organizations, and that utilize innovative approaches based on best practices or proven strategies supported by research or rigorous evaluation. Grants recipients may include, for example:

(a) DUI courts; and

(b) Jurisdictions implementing the victim impact panel registries under RCW 46.61.5152 and 10.01.230.

(4) Fifty dollars of the fee assessed under subsection (1) of this section must be distributed to the highway safety fund to be used solely for funding Washington traffic safety commission grants to organizations within counties targeted for programs to reduce driving under the influence of alcohol or drugs. For the 2017-2019 fiscal biennium, the fee may also be used to support the cost of administration of the grant program by the Washington traffic safety commission.

(5) If the court has suspended payment of part of the fee pursuant to subsection (1)(b) of this section, amounts collected shall be distributed proportionately.

(6) This section applies to any offense committed on or after July 1, 1993, and only to adult offenders.

Sec. 706. RCW 46.68.030 and 2016 c 28 s 2 are each amended to read as follows:

(1) The director shall forward all fees for vehicle registrations under chapters 46.16A and 46.17 RCW, unless otherwise specified by law, to the state treasurer with a proper identifying detailed report. The state treasurer shall credit these moneys to the motor vehicle fund created in RCW 46.68.070.

(2) Proceeds from vehicle license fees and renewal vehicle license fees must be deposited by the state treasurer as follows:

(a) \$23.60 of each initial or renewal vehicle license fee must be deposited in the state patrol highway account in the motor vehicle fund, hereby created. Vehicle license fees, renewal vehicle license fees, and all other funds in the state patrol highway account must be for the sole use of the Washington state patrol for highway activities of the Washington state patrol, subject to proper appropriations and reappropriations.

(b) \$2.02 of each initial vehicle license fee and \$0.93 of each renewal vehicle license fee must be deposited each biennium in the Puget Sound ferry operations account.

(c) Any remaining amounts of vehicle license fees and renewal vehicle license fees that are not distributed otherwise under this section must be deposited in the motor vehicle fund.

(3) During the 2015-2017 fiscal biennium, the legislature may transfer from the state patrol highway account to the connecting Washington account such amounts as reflect the excess fund balance of the state patrol highway account.

(4) During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the state patrol highway account to the connecting Washington account.

Sec. 707. RCW 46.68.060 and 2015 3rd sp.s. c 43 s 602 are each amended to read as follows:

There is hereby created in the state treasury a fund to be known as the highway safety fund to the credit of which must be deposited all moneys directed by law to be deposited therein. This fund must be used for carrying out the provisions of law relating to driver licensing, driver improvement, financial responsibility, cost of furnishing abstracts of driving records and maintaining such case records, and to carry out the purposes set forth in RCW 43.59.010, and chapters 46.72 and 46.72A RCW. During the 2013-2015 and 2015-2017 fiscal biennia, the legislature may

transfer from the highway safety fund to the Puget Sound ferry operations account, the motor vehicle fund, and the multimodal transportation account such amounts as reflect the excess fund balance of the highway safety fund. During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the highway safety fund to the multimodal transportation account.

Sec. 708. RCW 46.68.280 and 2015 3rd sp.s. c 43 s 603 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) During the 2015-2017 fiscal biennium, the legislature may transfer from the transportation 2003 account (nickel account) to the connecting Washington account such amounts as reflect the excess fund balance of the transportation 2003 account (nickel account).

(3) During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the transportation 2003 account (nickel account) to the connecting Washington account.

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

Sec. 709. RCW 46.68.290 and 2015 3rd sp.s. c 43 s 604 are each amended to read as follows:

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

(2) The legislature finds that:

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

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

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

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

(a) "Performance audit" means an objective and systematic assessment of a state agency or agencies or any of their programs, functions, or activities by the state auditor or designee in order to help improve agency efficiency, effectiveness, and

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accountability. Performance audits include economy and efficiency audits and program audits.

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

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

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

(6) The audits may include:

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

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

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

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

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

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

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

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

(i) Identification and recognition of best practices;

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

(k) Evaluation of personnel systems operation and management;

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

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

(n) Evaluation of transportation-related project costs, including but not limited to environmental mitigation,

competitive bidding practices, permitting processes, and capital project management.

(7) Within the authorities and duties under chapter 43.09 RCW, the state auditor must provide the preliminary performance audit reports to the audited state agency for comment. The auditor also may seek input on the preliminary report from other appropriate officials. Comments must be received within thirty days after receipt of the preliminary performance audit report unless a different time period is approved by the state auditor. The final performance audit report shall include the objectives, scope, and methodology; the audit results, including findings and recommendations; the agency's response and conclusions; and identification of best practices.

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

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

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

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

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

(11) During the 2015-2017 fiscal biennium, the legislature may transfer from the transportation partnership account to the connecting Washington account such amounts as reflect the excess fund balance of the transportation partnership account.

(12) During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the transportation partnership account to the connecting Washington account.

Sec. 710. RCW 46.68.325 and 2015 1st sp.s. c 10 s 703 are each amended to read as follows:

(1) The rural mobility 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 the grants provided under RCW 47.66.100.

(2) Beginning September 2011, by the last day of September, December, March, and June of each year, the state treasurer shall transfer from the multimodal transportation account to the rural mobility grant program account two million five hundred thousand dollars.

(3) During the ~~((2013-2015 and))~~ 2015-2017 fiscal ~~((biennia))~~ biennium, the legislature may transfer from the rural mobility grant program account to the multimodal transportation

account such amounts as reflect the excess fund balance of the rural mobility grant program account.

(4) During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the rural mobility grant program account to the multimodal transportation account.

Sec. 711. RCW 47.29.170 and 2015 1st sp.s. c 10 s 704 are each amended to read as follows:

Before accepting any unsolicited project proposals, the commission must adopt rules to facilitate the acceptance, review, evaluation, and selection of unsolicited project proposals. These rules must include the following:

(1) Provisions that specify unsolicited proposals must meet predetermined criteria;

(2) Provisions governing procedures for the cessation of negotiations and consideration;

(3) Provisions outlining that unsolicited proposals are subject to a two-step process that begins with concept proposals and would only advance to the second step, which are fully detailed proposals, if the commission so directed;

(4) Provisions that require concept proposals to include at least the following information: Proposers' qualifications and experience; description of the proposed project and impact; proposed project financing; and known public benefits and opposition; and

(5) Provisions that specify the process to be followed if the commission is interested in the concept proposal, which must include provisions:

(a) Requiring that information regarding the potential project would be published for a period of not less than thirty days, during which time entities could express interest in submitting a proposal;

(b) Specifying that if letters of interest were received during the thirty days, then an additional sixty days for submission of the fully detailed proposal would be allowed; and

(c) Procedures for what will happen if there are insufficient proposals submitted or if there are no letters of interest submitted in the appropriate time frame.

The commission may adopt other rules as necessary to avoid conflicts with existing laws, statutes, or contractual obligations of the state.

The commission may not accept or consider any unsolicited proposals before July 1, ~~((2017))~~ 2018.

Sec. 712. RCW 47.56.403 and 2015 1st sp.s. c 10 s 705 are each amended to read as follows:

(1) The department may provide for the establishment, construction, and operation of a pilot project of high occupancy toll lanes on state route 167 high occupancy vehicle lanes within King county. The department may issue, buy, and redeem bonds, and deposit and expend them; secure and remit financial and other assistance in the construction of high occupancy toll lanes, carry insurance, and handle any other matters pertaining to the high occupancy toll lane pilot project.

(2) Tolls for high occupancy toll lanes will be established as follows:

(a) The schedule of toll charges for high occupancy toll lanes must be established by the transportation commission and collected in a manner determined by the commission.

(b) Toll charges shall not be assessed on transit buses and vanpool vehicles owned or operated by any public agency.

(c) The department shall establish performance standards for the state route 167 high occupancy toll lane pilot project. The department must automatically adjust the toll charge, using dynamic tolling, to ensure that toll-paying single-occupant vehicle users are only permitted to enter the lane to the extent that average vehicle speeds in the lane remain above forty-five miles

per hour at least ninety percent of the time during peak hours. The toll charge may vary in amount by time of day, level of traffic congestion within the highway facility, vehicle occupancy, or other criteria, as the commission may deem appropriate. The commission may also vary toll charges for single-occupant inherently low-emission vehicles such as those powered by electric batteries, natural gas, propane, or other clean burning fuels.

(d) The commission shall periodically review the toll charges to determine if the toll charges are effectively maintaining travel time, speed, and reliability on the highway facilities.

(3) The department shall monitor the state route 167 high occupancy toll lane pilot project and shall annually report to the transportation commission and the legislature on operations and findings. At a minimum, the department shall provide facility use data and review the impacts on:

(a) Freeway efficiency and safety;

(b) Effectiveness for transit;

(c) Person and vehicle movements by mode;

(d) Ability to finance improvements and transportation services through tolls; and

(e) The impacts on all highway users. The department shall analyze aggregate use data and conduct, as needed, separate surveys to assess usage of the facility in relation to geographic, socioeconomic, and demographic information within the corridor in order to ascertain actual and perceived questions of equitable use of the facility.

(4) The department shall modify the pilot project to address identified safety issues and mitigate negative impacts to high occupancy vehicle lane users.

(5) Authorization to impose high occupancy vehicle tolls for the state route 167 high occupancy toll pilot project expires if either of the following two conditions apply:

(a) If no contracts have been let by the department to begin construction of the toll facilities associated with this pilot project within four years of July 24, 2005; or

(b) If high occupancy vehicle tolls are being collected on June 30, ~~((2017))~~ 2019.

(6) The department of transportation shall adopt rules that allow automatic vehicle identification transponders used for electronic toll collection to be compatible with other electronic payment devices or transponders from the Washington state ferry system, other public transportation systems, or other toll collection systems to the extent that technology permits.

(7) The conversion of a single existing high occupancy vehicle lane to a high occupancy toll lane as proposed for SR-167 must be taken as the exception for this pilot project.

(8) A violation of the lane restrictions applicable to the high occupancy toll lanes established under this section is a traffic infraction.

(9) Procurement activity associated with this pilot project shall be open and competitive in accordance with chapter 39.29 RCW.

Sec. 713. RCW 47.56.876 and 2015 1st sp.s. c 10 s 706 are each amended to read as follows:

A special account to be known as the state route number 520 civil penalties account is created in the state treasury. All state route number 520 bridge replacement and HOV program civil penalties generated from the nonpayment of tolls on the state route number 520 corridor must be deposited into the account, as provided under RCW 47.56.870(4)(b)(vii). Moneys in the account may be spent only after appropriation. Expenditures from the account may be used to fund any project within the state route number 520 bridge replacement and HOV program, including mitigation. During the 2013-2015 and 2015-2017 fiscal biennia, the legislature may transfer from the state route number 520 civil

penalties account to the state route number 520 corridor account such amounts as reflect the excess fund balance of the state route number 520 civil penalties account. Funds transferred must be used solely for capital expenditures for the state route number 520 bridge replacement and HOV project. During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the state route number 520 civil penalties account to the state route number 520 corridor account.

Sec. 714. RCW 47.60.530 and 2015 3rd sp.s. c 43 s 605 are each amended to read as follows:

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

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

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

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

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

(5) During the 2015-2017 fiscal biennium, the legislature may transfer from the Puget Sound ferry operations account to the connecting Washington account such amounts as reflect the excess fund balance of the Puget Sound ferry operations account.

(6) During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the Puget Sound ferry operations account to the connecting Washington account.

Sec. 715. RCW 81.53.281 and 2016 c 14 s 701 are each amended to read as follows:

There is hereby created in the state treasury a "grade crossing protective fund" to carry out the provisions of RCW 81.53.261, 81.53.271, 81.53.281, 81.53.291, and 81.53.295; for grants and/or subsidies to public, private, and nonprofit entities for rail safety projects authorized or ordered by the commission; and for personnel and associated costs related to supervising and administering rail safety grants and/or subsidies. During the 2013-2015 fiscal biennium, funds in this account may also be used to conduct the study required under section 102, chapter 222, Laws of 2014. The commission shall transfer from the public service revolving fund's miscellaneous fees and penalties accounts moneys appropriated for these purposes as needed. At the time the commission makes each allocation of cost to said grade crossing protective fund, it shall certify that such cost shall be payable out of said fund. When federal-aid highway funds are involved, the department of transportation shall, upon entry of an order by the commission requiring the installation or upgrading of a grade crossing protective device, submit to the commission an estimate for the cost of the proposed installation and related work. Upon receipt of the estimate the commission shall pay to the department of transportation the percentage of the estimate specified in RCW 81.53.295, as now or hereafter amended, to be used as the grade crossing protective fund portion of the cost of the installation and related work.

The commission may adopt rules for the allocation of money from the grade crossing protective fund. During the 2015-2017 and 2017-2019 fiscal (biennium) biennia, the commission may waive rules regarding local matching fund requirements, maximum awards for individual projects, and other application requirements as necessary to expedite the allocation of money from the grade crossing protective fund to address underprotected grade crossings as identified by the commission.

**2015-2017 FISCAL BIENNIUM
GENERAL GOVERNMENT AGENCIES—
OPERATING**

Sec. 801. 2016 c 14 s 102 (uncodified) is amended to read as follows:

**FOR THE UTILITIES AND TRANSPORTATION
COMMISSION**

Grade Crossing Protective Account—State
Appropriation ~~(((\$1,604,000))~~
\$504,000

Sec. 802. 2016 c 14 s 103 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT
Motor Vehicle Account—State Appropriation
~~(((\$2,296,000))~~
\$2,196,000

Puget Sound Ferry Operations Account—State
Appropriation \$115,000
State Patrol Highway Account—State Appropriation
\$150,000
TOTAL APPROPRIATION \$2,561,000
\$2,461,000

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

(1) \$835,000 of the motor vehicle account—state appropriation is provided solely for the office of financial management, from amounts set aside out of statewide fuel taxes distributed to counties according to RCW 46.68.120(3), to contract with the Washington state association of counties to develop, implement, and report on transportation metrics associated with transportation system policy goals outlined in RCW 47.04.280. The Washington state association of counties, in cooperation with state agencies, must: Evaluate and implement opportunities to streamline reporting of county transportation financial data; expand reporting and collection of short-span bridge and culvert data; evaluate and report on the impact of increased freight and rail traffic on county roads; and to evaluate, implement, and report on the opportunities for improved capital project management and delivery.

(2) \$100,000 of the motor vehicle account—state appropriation is provided solely for the office of financial management, from funds set aside out of statewide fuel taxes distributed to counties according to RCW 46.68.120(3), to contract with the Washington state association of counties to work with the department of fish and wildlife to develop voluntary programmatic agreements for the maintenance, preservation, rehabilitation, and replacement of water crossing structures. A report must be presented to the legislature by December 31, 2016, on the implementation of developed voluntary programmatic agreements.

(3) \$150,000 of the state patrol highway account—state appropriation is provided solely for an organizational assessment of the Washington state patrol.

(4) The office of financial management, in conjunction with the office of the chief information officer, shall provide oversight and review of the department of transportation's development of the request for proposal for a new tolling customer service toll collection system and development of a project management plan as required in section 209(8) ~~((of this act))~~, chapter 14, Laws of 2016.

Sec. 803. 2016 c 14 s 104 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE
Motor Vehicle Account—State Appropriation
~~(((\$1,240,000))~~

\$1,239,000

TRANSPORTATION AGENCIES—OPERATING

Sec. 901. 2016 c 14 s 201 (uncodified) is amended to read as follows:

FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway Safety Account—State Appropriation
 ((~~\$3,183,000~~))

\$3,175,000

Highway Safety Account—Federal Appropriation
 ((~~\$21,644,000~~))

\$22,035,000

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

School Zone Safety Account—State Appropriation
 \$850,000

TOTAL APPROPRIATION \$25,795,000

\$26,178,000

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

(1) The commission may continue to oversee pilot projects implementing the use of automated traffic safety cameras to detect speed violations within cities west of the Cascade mountains that have a population of more than one hundred ninety-five thousand and that are located in a county with a population of fewer than one million five hundred thousand. For the purposes of pilot projects in this subsection, no more than one automated traffic safety camera may be used to detect speed violations within any one jurisdiction.

(a) The commission shall comply with RCW 46.63.170 in administering the pilot projects.

(b) By January 1, 2017, any local authority that is operating an automated traffic safety camera to detect speed violations must provide a summary to the transportation committees of the legislature concerning the use of the cameras and data regarding infractions, revenues, and costs.

(2) \$99,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 243, Laws of 2015 (pedestrian safety reviews).

(3) ((~~\$6,500,000~~)) \$1,030,000 of the highway safety account—federal appropriation is provided solely for federal funds that may be obligated to the commission pursuant to 23 U.S.C. Sec. 164 during the 2015-2017 fiscal biennium.

(4) Within current resources, the commission must examine the declining revenue going to the school zone safety account with the goal of identifying factors contributing to the decline. By December 31, 2015, the commission must provide a report to the transportation committees of the legislature that summarizes its findings and provides recommendations designed to ensure that the account is receiving all amounts that should be deposited into the account.

Sec. 902. 2016 c 14 s 202 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State Appropriation
 \$1,000,000

Motor Vehicle Account—State Appropriation
 ((~~\$2,459,000~~))

\$2,404,000

County Arterial Preservation Account—State
 Appropriation \$1,518,000

TOTAL APPROPRIATION \$4,977,000

\$4,922,000

Sec. 903. 2016 c 14 s 203 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD

Transportation Improvement Account—State
 Appropriation ((~~\$4,063,000~~))

\$4,035,000

Sec. 904. 2016 c 14 s 204 (uncodified) is amended to read as follows:

FOR THE JOINT TRANSPORTATION COMMITTEE

Motor Vehicle Account—State Appropriation
 ((~~\$2,222,000~~))

\$2,272,000

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

(1)(a) \$250,000 of the motor vehicle account—state appropriation is for a consultant study of Washington state patrol recruitment and retention of troopers. The study must identify barriers to effective candidate recruitment, candidates' successful completion of training, and retention of trained troopers of various tenure. The study must provide:

- (i) An overview of current attrition rates;
- (ii) Options and strategies on reducing the average number of trooper positions that are vacant;
- (iii) Identification of best practices for recruitment and retention of law enforcement officers;
- (iv) Recommendations to improve existing recruitment and selection programs;
- (v) Recommendations for where salary and benefit adjustments should be targeted to most effectively address recruitment and retention challenges;
- (vi) Recommendations regarding changes to the training and education program; and
- (vii) Other recommendations for cost-effective personnel strategies.

(b) The joint transportation committee shall issue a report of its findings to the house and senate transportation committees by December 14, 2015. The Washington state patrol shall work with the consultant to identify costs for each recommendation.

(2)(a) \$125,000 of the motor vehicle account—state appropriation is for a study of Washington state weigh station planning, placement, and operations by the Washington state patrol and department of transportation as they relate to roadway safety and preservation. The study must:

- (i) Provide a high-level overview of commercial vehicle enforcement programs, with a focus on weigh stations, including both state and federal funding programs. This overview must include a description of how the Washington state patrol and department of transportation allocate these state and federal funds.
 - (ii) Review Washington state patrol and department of transportation planning related to weigh station location and operation, and the extent to which their efforts complement, coordinate with, or overlap each other;
 - (iii) Identify best practices in the funding, placement, and operation of weigh stations;
 - (iv) Review plans by the department of transportation and Washington state patrol to reopen a Federal Way area southbound weigh station;
 - (v) Recommend changes in state statutes, policy, or agency practices and rules to improve the efficiency and effectiveness of weigh station funding, placement, and operation, including potential savings to be achieved by adopting the changes; and
 - (vi) Review whether it is cost-effective or more efficient to place future weigh stations in the median of a highway instead of placing two individual weigh stations on either side of a highway.

(b) The joint transportation committee must issue a report of its findings and recommendations to the house of representatives and senate transportation committees by December 14, 2015.

(3) \$250,000 of the motor vehicle account—state appropriation, from the cities' statewide fuel tax distributions under RCW 46.68.110(2), is for a study to be conducted in 2016 to identify prominent road-rail conflicts, recommend a corridor-based prioritization process for addressing the impacts of projected increases in rail traffic, and identify areas of state public policy interest, such as the critical role of freight movement to the Washington economy and the state's competitiveness in world trade. The study must consider the results of the updated marine cargo forecast due to be delivered to the joint transportation committee on December 1, 2015. In conducting the study, the joint transportation committee must consult with the department of transportation, the freight mobility strategic investment board, the utilities and transportation commission, local governments, and other relevant stakeholders. The joint transportation committee must issue a report of its recommendations and findings by January 9, 2017.

(4) The legislature intends for the joint transportation committee to undertake a study during the 2017-2019 fiscal biennium of consolidating rail employee safety and regulatory functions in the utilities and transportation commission. The joint transportation committee should review the information provided by the utilities and transportation commission and should provide recommendations to the transportation committees of the legislature regarding such a consolidation of rail employee safety and regulatory functions.

(5) Within existing resources, during the interim periods between regular sessions of the legislature, the joint transportation committee shall include on its agendas work sessions on the Alaskan Way viaduct replacement project. These work sessions must include a report on current progress of the project, timelines for completion, outstanding claims, the financial status of the project, and any other information necessary for the legislature to maintain appropriate oversight of the project. The parties invited to present may include the department of transportation, the Seattle tunnel partners, and other appropriate stakeholders. The joint transportation committee shall have at least two such work sessions before December 31, 2015.

(6) \$450,000 of the motor vehicle account—state appropriation is for the design-build contracting review study established in chapter 18, Laws of 2015 3rd sp. sess. The department of transportation must provide technical assistance, as necessary.

(7) The joint transportation committee must study the issues surrounding minority and women-owned business contracting related to the transportation sector. The study should identify any best practices adopted in other states that encourage participation by minority and women-owned businesses. The joint transportation committee, with direction from the executive committee, may form a legislative task force at the conclusion of the study to help to inform the legislature of any best practices identified from other states that encourage minority and women-owned businesses' participation in the transportation sector.

Sec. 905. 2016 c 14 s 205 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION COMMISSION

Motor Vehicle Account—State Appropriation
((~~\$2,667,000~~))

\$2,516,000

Motor Vehicle Account—Federal Appropriation \$500,000

Multimodal Transportation Account—State

Appropriation \$112,000
TOTAL APPROPRIATION \$3,279,000
\$3,128,000

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

(1) \$300,000 of the motor vehicle account—state appropriation is provided solely to continue evaluating a road usage charge as an alternative to the motor vehicle fuel tax to fund investments in transportation. The evaluation must include monitoring and reviewing work that is underway in other states and nationally. The commission may coordinate with the department of transportation to jointly pursue any federal or other funds that are or might become available and eligible for road usage charge pilot projects. The commission must reconvene the road usage charge steering committee, with the same membership authorized in chapter 222, Laws of 2014, and report to the governor's office and the transportation committees of the house of representatives and the senate by December 15, 2015.

(2) \$150,000 of the motor vehicle account—state appropriation is provided solely for the commission to use an outside survey firm to conduct three transportation surveys during the 2015-2017 fiscal biennium. The commission must consult with the joint transportation committee when deciding on the survey topics and design to ensure the survey results will deliver the data, information, and analysis for future transportation policy and strategic planning decisions in a manner useful to the legislature.

(3)(a) The legislature finds that, while some travel times have improved through Interstate 405 between the junctions with Interstate 5 on the north end and NE 6th Street in the city of Bellevue on the south end, especially for transit trips, the implementation of the express toll lane system has made travel more difficult for a number of other drivers and trips. To provide some relief to drivers, the legislature encourages the commission to expedite consideration of the elimination of tolls during evening nonpeak hours, weekends, and holidays, to the extent that such a change will improve commuters' experience on this portion of Interstate 405. The legislature further finds that the commission, as the tolling authority of the state, should act swiftly, working in conjunction with the department of transportation's comprehensive effort to tackle obstacles adversely affecting commutes on this portion of Interstate 405, to drive improved results for the users of this critical corridor as soon as is practicable.

(b) In accordance with the rule-making authority provided under RCW 34.05.350(1)(a), the legislature deems it necessary, for preservation of the general welfare, that operational changes be made to improve the express toll lane program on Interstate 405 and that the tolling authority use its emergency rule-making authority to effect such changes in accordance with RCW 47.56.850 and 47.56.880. The legislature finds that the need for improvements to the commuter experience on the portion of Interstate 405 identified in (a) of this subsection necessitates that such action be taken in an expedited fashion. The tolling authority, with input from the department of transportation, shall evaluate the hours and days of operation for the express toll lanes and the minimum high occupancy vehicle passenger requirements for using the express toll lanes, taking into consideration the goals of: Reducing travel time on this portion of Interstate 405, including in the general purpose lanes; reducing the cost of traveling within the express toll lanes on this portion of Interstate 405; and maintaining sufficient revenue to pay for this portion of Interstate 405's express toll lane operating costs. This subsection (3) does not create a private right of action.

(4)(a) \$500,000 of the motor vehicle account—federal appropriation is provided solely to advance the work completed since 2011 in evaluating a road usage charge as an alternative to the motor vehicle fuel tax to fund future investments in transportation by completing the work necessary to launch a road usage charge pilot project, with all implementation details for a pilot project identified and incorporated into a pilot project implementation plan.

(i) Pilot project implementation preparation must include identification of all essential agency roles and responsibilities for the pilot project, a selection of the technologies and methodologies to be included, a target number of participants and participant characteristics, rigorous specific evaluation criteria by which the pilot project will be assessed, a communication plan for the pilot project that consists of a participant recruitment plan and a plan for communicating information about the launch and ongoing progress of the pilot project, and pilot project expenditure and revenue estimates.

(ii) In developing the road usage charge pilot project implementation plan, the commission shall consult and coordinate with the department of transportation, the department of licensing, the department of revenue, and the office of the state treasurer to establish participation and coordination parameters for the project.

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

(c) The commission shall reconvene the road usage charge steering committee, with the same membership authorized in chapter 222, Laws of 2014, as well as the addition of a representative from the Puget Sound regional council, and may obtain guidance from the steering committee when it reaches key pilot project implementation plan development milestones. The commission must provide a report on the road usage charge pilot project implementation plan that includes all implementation details for a road usage charge pilot project to the governor's office and the transportation committees of the house of representatives and the senate by November 1, 2016.

~~((5) \$150,000 of the motor vehicle account—state appropriation is provided solely for supporting the disadvantaged business enterprise advisory committee established in chapter . . . (Senate Bill No. 6180), Laws of 2016. If chapter . . . (Senate Bill No. 6180), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.))~~

Sec. 906. 2016 c 14 s 206 (uncodified) is amended to read as follows:

FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Motor Vehicle Account—State	Appropriation
	(\$1,024,000)
	\$1,015,000

The appropriation in this section is subject to the following conditions and limitations: \$250,000 of the motor vehicle account—state appropriation is provided solely to conduct a study of freight infrastructure needs, including an update of the long-term marine cargo forecast. The board must work with the Washington public ports association to evaluate: (1) Forecasted

cargo movement by commodity, type, and mode of land transport; and (2) current and projected freight infrastructure capacity needs. A report on the study must be delivered to the joint transportation committee by December 1, 2015.

Sec. 907. 2016 c 14 s 207 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State	Appropriation	(\$415,364,000)
		\$407,845,000
State Patrol Highway Account—Federal	Appropriation	\$13,291,000
State Patrol Highway Account—Private/Local	Appropriation	\$3,823,000
Highway Safety Account—State	Appropriation	\$1,494,000
Multimodal Transportation Account—State	Appropriation	\$276,000
TOTAL APPROPRIATION		\$434,248,000
		<u>\$426,729,000</u>

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

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

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

(3) \$23,000 of the state patrol highway account—state appropriation is provided solely for the implementation of chapter 3, Laws of 2015 2nd sp. sess. (impaired driving).

(4) \$5,000,000 of the state patrol highway account—state appropriation is provided solely for compensation increases for Washington state patrol troopers, sergeants, lieutenants, and captains. This increase is not subject to interest arbitration and is for salary and benefits that are in addition to the current interest arbitration award. It is the intent of the legislature that chapter . . . (Engrossed Second Substitute House Bill No. 2872), Laws of 2016 provide the revenue to support the ongoing costs associated with the compensation increases identified in this subsection in order to provide the means necessary to recruit and retain state patrol officers in subsequent biennia.

(5)(a) The department and the Washington state patrol must work collaboratively to develop a comprehensive plan for weigh station construction and preservation for the entire state. The plan must be submitted to the transportation committees of the legislature by January 1, 2017.

(b) As part of the 2017-2019 biennial budget submittal, the department and the Washington state patrol must jointly submit a prioritized list of weigh station projects for legislative approval.

(6) \$115,000 of the state patrol highway account—state appropriation is provided solely for the operation of the license investigation unit to enforce vehicle registration laws in southwestern Washington.

Sec. 908. 2016 c 14 s 208 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

Marine Fuel Tax Refund Account—State			
Appropriation	\$34,000		
License Plate Technology Account—State			
Appropriation	\$3,200,000		
Motorcycle Safety Education Account—State			
Appropriation	\$4,488,000		
State Wildlife Account—State		Appropriation	
\$1,001,000			
Highway Safety Account—State		Appropriation	
((\$201,666,000))			
	<u>\$198,735,000</u>		
Highway Safety Account—Federal		Appropriation	
\$3,573,000			
Motor Vehicle Account—State		Appropriation	
((\$92,044,000))			
	<u>\$92,662,000</u>		
Motor Vehicle Account—Federal Appropriation	\$362,000		
Motor Vehicle Account—Private/Local	Appropriation		
((\$1,544,000))			
	<u>\$1,859,000</u>		
Ignition Interlock Device Revolving Account—State			
Appropriation	\$5,142,000		
Department of Licensing Services Account—State			
Appropriation	((\$6,672,000))		
	<u>\$6,671,000</u>		
TOTAL APPROPRIATION	\$319,726,000		
	<u>\$317,727,000</u>		

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

(1) ((~~\$30,954,000~~)) \$28,570,000 of the highway safety account—state appropriation and \$3,200,000 of the license plate technology account—state appropriation are provided solely for business and technology modernization. The department and the state chief information officer or his or her designee must provide a joint project status report to the transportation committees of the legislature on at least a calendar quarter basis. The report must include, but is not limited to: Detailed information about the planned and actual scope, schedule, and budget; status of key vendor and other project deliverables; and a description of significant changes to planned deliverables or system functions over the life of the project. Project staff will periodically brief the committees or the committees' staff on system security and data protection measures.

(2) \$5,059,000 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.

(3) \$3,714,000 of the highway safety account—state appropriation is provided solely for the implementation of an updated central issuance system.

(4) \$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.

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

(6) Within existing resources and in consultation with the traffic safety commission, the Washington state patrol, and a representative of the insurance industry and the professional driving school association, the department must review options and make recommendations on strategies for addressing young and high-risk drivers. The recommendations must consider the findings of Washington state's strategic highway safety plan, Target Zero, and must include an analysis of expanding traffic safety education to eighteen to twenty-four year olds that have not taken a traffic safety course and drivers that have been convicted of high-risk behavior, such as driving under the influence of drugs and alcohol and reckless driving. An overview of the work conducted and the recommendations are due to the transportation committees of the legislature and the governor by December 31, 2015.

(7) \$57,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 1, Laws of 2015 2nd sp. sess. (quick title service fees).

(8) \$283,000 of the highway safety account—state appropriation and \$33,000 of the ignition interlock device revolving account—state appropriation are provided solely for the implementation of chapter 3, Laws of 2015 2nd sp. sess. (impaired driving).

(9) \$4,000,000 of the motor vehicle account—state appropriation is provided solely for implementation of chapter 44, Laws of 2015 3rd sp. sess. (transportation revenue).

~~(10) ((~~\$335,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 2942), Laws of 2016 or chapter . . . (Senate Bill No. 6591), Laws of 2016 (nondomiciled commercial drivers' licenses). If both chapter . . . (Substitute House Bill No. 2942), Laws of 2016 and chapter . . . (Senate Bill No. 6591), Laws of 2016 are not enacted by June 30, 2016, the amount provided in this subsection lapses.~~)~~

~~(11))~~ \$2,421,000 of the highway safety account—state appropriation is provided solely for costs necessary to accommodate increased demand for enhanced drivers' licenses and enhanced identicards. The office of financial management shall place the entire amount provided in this subsection in unallotted status. The office of financial management may release portions of the funds when it determines that average wait times have increased by more than two minutes based on wait time and volume data provided by the department compared to average wait times and volume during the month of December 2015. The department and the office of financial management shall evaluate the use of these funds on a monthly basis and periodically report to the transportation committees of the legislature on average wait times and volume data for enhanced drivers' licenses and enhanced identicards.

~~((12))~~ (1) \$43,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Senate Bill No. 6200), Laws of 2016 (Washington's fish collection license plate). If chapter . . . (Senate Bill No. 6200),

Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.

~~((13))~~ (12) \$388,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute House Bill No. 2700), Laws of 2016 (impaired driving). If chapter . . . (Engrossed Substitute House Bill No. 2700), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.

~~((14))~~ (13) \$29,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 6254), Laws of 2016 (Purple Heart license plate). If chapter . . . (Substitute Senate Bill No. 6254), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.

~~((15))~~ (14) \$20,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute House Bill No. 2778), Laws of 2016 (alternative fuel vehicles). If chapter . . . (Engrossed Substitute House Bill No. 2778), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.

Sec. 909. 2016 c 14 s 209 (uncodified) is amended to read as follows:

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

High Occupancy Toll Lanes Operations Account—State
Appropriation ~~((3,185,000))~~
\$3,175,000

Motor Vehicle Account—State Appropriation \$510,000
State Route Number 520 Corridor Account—State

Appropriation \$39,029,000

State Route Number 520 Civil Penalties Account—State
Appropriation \$6,008,000

Tacoma Narrows Toll Bridge Account—State
Appropriation \$26,636,000

Interstate 405 Express Toll Lanes Operations
Account—State Appropriation \$15,552,000

TOTAL APPROPRIATION \$90,920,000
\$90,910,000

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

(1) \$1,300,000 of the Tacoma Narrows toll bridge account—state appropriation and \$8,157,000 of the state route number 520 corridor account—state appropriation are provided solely for the purposes of addressing unforeseen operations and maintenance costs on the Tacoma Narrows bridge and the state route number 520 bridge, respectively. The office of financial management shall place the amounts provided in this section, which represent a portion of the required minimum fund balance under the policy of the state treasurer, in unallotted status. The office may release the funds only when it determines that all other funds designated for operations and maintenance purposes have been exhausted.

(2) \$4,778,000 of the state route number 520 civil penalties account—state appropriation and \$2,065,000 of the Tacoma Narrows toll bridge account—state appropriation are provided solely for expenditures related to the toll adjudication process. The department shall report on the civil penalty process to the office of financial management and the house of representatives and senate transportation committees by the end of each calendar quarter. The reports must include a summary table for each toll facility that includes: The number of notices of civil penalty issued; the number of recipients who pay before the notice becomes a penalty; the number of recipients who request a hearing and the number who do not respond; workload costs related to hearings; the cost and effectiveness of debt collection activities; and revenues generated from notices of civil penalty.

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

(4) \$3,100,000 of the Interstate 405 express toll lanes operations account—state appropriation, \$1,498,000 of the state route number 520 corridor account—state appropriation, and \$1,802,000 of the high occupancy toll lanes operations account—state appropriation are provided solely for the operation and maintenance of roadside toll collection systems. Due to underruns, the office of financial management shall place \$1,000,000 of the Interstate 405 express toll lanes operations account—state appropriation, \$360,000 of the state route number 520 corridor account—state appropriation, and \$1,000,000 of the high occupancy toll lanes operations account—state appropriation in unallotted status. The office of financial management may release portions of the funds if it determines operation and maintenance costs of the roadside toll collection systems exceed the allotted amounts.

(5) \$12,202,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for operational costs related to the express toll lane facility, including the customer service center vendor, transponders, credit card fees, printing and postage, rent, office supplies, telephone and communications equipment, computers, and vehicle operations. Within the amount provided in this subsection, the department must, to the greatest extent possible, without adding additional tolling gantries, continue to expand the length of the access and exit points to the express toll lanes, clarify signage and striping to eliminate confusion, and make other operational and customer service improvements to enhance the public's use of the toll facility. The office of financial management shall place \$5,371,000 of the amount provided in this subsection in unallotted status. The office of financial management may release funds to the department on a monthly basis beginning July 1, 2016; however, the amount to be released monthly must be calculated to address the department's projected expenditure need based on the previous month's actual expenditures, financial statement, actual toll transaction experience, and actual revenue collections for the Interstate 405 express toll lanes facility. Prior to releasing any funding from unallotted status, the office of financial management shall notify the joint transportation committee of the amount to be released and provide the documentation used in determining the amount.

(6) \$250,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for the identification and prioritization of projects that will help reduce congestion and provide added capacity on the Interstate 405 tolling corridor between state route number 522 and Interstate 5.

(7) The department must provide quarterly reports to the transportation committees of the legislature on the Interstate 405 express toll lane project performance measures listed in RCW 47.56.880(4). These reports must include:

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

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

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

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

(8) \$56,000 of the high occupancy toll lanes operations account—state appropriation, \$1,124,000 of the state route number 520 corridor account—state appropriation, and \$596,000 of the Tacoma Narrows toll bridge account—state appropriation are provided solely for the department to develop a request for proposal for a new tolling customer service center.

(a) The department must address the replacement of the Wave2Go ferry ticketing system that is reaching the end of its useful life by developing functional and technical requirements that integrate Washington state ferries ticketing into the new tolling division customer service center toll collection system. The department shall continue to report quarterly to the governor, legislature, and state auditor on: (i) The department's effort to mitigate risk to the state, (ii) the development of a request for proposal, and (iii) the overall progress towards procuring a new tolling customer service center.

(b) The department shall release a request for proposal for a new tolling customer service toll collection system by December 1, 2016.

(i) During the request for proposal development process and prior to its release, the office of financial management shall review the request for proposal for a new tolling customer service toll collection system to ensure the request for proposal:

- (A) Provides for the business needs of the state; and
- (B) Mitigates risk to the state.

(ii) During development of the request for proposal and prior to its release, the office of the chief information officer shall review the request for proposal for a new tolling customer service toll collection system to ensure the request for proposal:

- (A) Contains requirements that meet the security standards and policies of the office of the chief information officer; and
- (B) Is flexible and adaptable to advances in technology.

(c)(i) Prior to commencement of the new tolling customer service toll collection system implementation, the department shall submit a draft project management plan to the office of financial management and the office of the chief information officer that includes a provision for independent verification and validation of contract deliverables from the successful bidder and a provision for quality assurance that includes reporting independently to the office of the chief information officer on an ongoing basis during system implementation;

(ii) The office of financial management and the office of the chief information officer shall review the draft project management plan to ensure that it contains adequate contract management and quality assurance measures.

(iii) The department shall submit the project management plan to the transportation committees of the legislature prior to the commencement of system implementation.

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

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

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

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

(10) \$5,000 of the motor vehicle account—state appropriation is provided solely for membership dues for the alliance for toll interoperability.

(11) \$1,230,000 of the state route number 520 civil penalties account—state appropriation and \$695,000 of the Tacoma Narrows toll bridge account—state appropriation are provided solely to implement chapter 292, Laws of 2015 (tolling customer service reform) to improve integration between the Good to Go! electronic tolling system with the pay-by-mail system through increased communication with customers and improvements to the Good to Go! web site allowing customers to manage all of their toll accounts regardless of method of payment. Within the amounts provided, the department must include in the request for proposals for a new customer service center the requirement that the new tolling customer service center link to the vehicle records system of the department of licensing to enable vehicle record updates that relate to tolling customer accounts to occur between the two systems seamlessly. The department must work with the department of licensing to develop the appropriate specifications to include in the request for proposals to allow the new tolling customer service center to link to the vehicle records system without cost to the department of licensing and report to the transportation committees of the legislature when the appropriate specifications have been completed. By June 30, 2017, the department shall report how many people with Good to Go! accounts were issued civil penalties for each toll facility and whether the number was reduced each fiscal year in the biennium. The department shall also report on the number of customer contacts that occur, number of civil penalties reduced or waived, the amount of the total civil penalties that are waived, and the number of customers that are referred to the administrative law judge process during the biennium.

Sec. 910. 2016 c 14 s 210 (uncodified) is amended to read as follows:

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

Transportation Partnership Account—State			
Appropriation	\$1,460,000		
Motor Vehicle Account—State		Appropriation	
((\$69,291,000))			
	<u>\$69,281,000</u>		
Multimodal Transportation Account—State			
Appropriation	\$2,883,000		

Transportation 2003 Account (Nickel Account)—State
 Appropriation \$1,460,000
 Puget Sound Ferry Operations Account—State
 Appropriation \$263,000
 TOTAL APPROPRIATION \$75,357,000
\$75,347,000

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

(1) \$1,460,000 of the transportation partnership account—state appropriation and \$1,460,000 of the transportation 2003 account (nickel account)—state appropriation are provided solely for maintaining the department's project management reporting system.

(2) \$250,000 of the motor vehicle account—state appropriation is provided solely for the development of a timeline and funding plan for the labor system replacement project. As part of its 2017-2019 biennial budget submittal, and in coordination with the office of financial management and the office of the chief information officer, the department shall submit a timeline and funding plan for the labor system replacement project. The plan must identify a timeline and all one-time and ongoing costs for the integration of all headquarters, regional, and marine employees into the new labor system.

Sec. 911. 2016 c 14 s 211 (uncodified) is amended to read as follows:

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

Motor Vehicle Account—State Appropriation
 ((~~\$27,609,000~~))
\$27,592,000
 State Route Number 520 Corridor Account—State
 Appropriation \$34,000
 TOTAL APPROPRIATION \$27,643,000
\$27,626,000

Sec. 912. 2016 c 14 s 212 (uncodified) is amended to read as follows:

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

Aeronautics Account—State Appropriation
 ((~~\$8,628,000~~))
\$8,632,000
 Aeronautics Account—Federal Appropriation
 ((~~\$4,100,000~~))
\$1,600,000
 Aeronautics Account—Private/Local Appropriation
 \$60,000
 TOTAL APPROPRIATION \$12,788,000
\$10,292,000

The appropriations in this section are subject to the following conditions and limitations: \$4,557,000 of the aeronautics account—state appropriation is provided solely for airport investment studies and the airport aid grant program, which provides competitive grants to public airports for pavement, safety, maintenance, planning, and security.

Sec. 913. 2016 c 14 s 213 (uncodified) is amended to read as follows:

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

Motor Vehicle Account—State Appropriation
 ((~~\$53,911,000~~))
\$53,892,000
 Motor Vehicle Account—Federal Appropriation \$500,000
 Multimodal Transportation Account—State
 Appropriation \$250,000

TOTAL APPROPRIATION \$54,661,000
\$54,642,000

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

(1) The real estate services division of the department must recover the cost of its efforts from sale proceeds and fund additional future sales from those proceeds.

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

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

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

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

(3) \$250,000 of the motor vehicle account—state appropriation is provided solely for training intended to retain a knowledgeable and competent core technical staff in the changing environment of highway project design and construction and to provide for the efficient and effective delivery and oversight of projects. The training must focus on the following areas:

(a) Training appropriate staff in regard to coordinating and administering projects with private sector designers and builders for projects delivered by the design-build construction process;

(b) Training on community engagement to provide project managers with the skills necessary to develop personal relations with the leaders of the affected community to blend project needs with the needs of the community, while providing fair treatment and involvement of community groups and individuals regarding elements of a project subject to environmental regulations, laws, and policies;

(c) Training for partnering and team building skills to avoid conflict and reduce construction claims that arise in contract administration; and

(d) Technical design training required in the fields of hydraulics, hydrology, and storm water abatement, and other fields in support of projects dealing with the fish passage program and highway runoff treatment.

Sec. 914. 2016 c 14 s 214 (uncodified) is amended to read as follows:

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

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Motor Vehicle Account—State	Appropriation
(\$600,000)	
	<u>\$604,000</u>
((Electric Vehicle Charging Infrastructure Account—State Appropriation—\$1,000,000	
TOTAL APPROPRIATION—\$1,600,000	

The appropriation(s) in this section (are) is subject to the following conditions and limitations: ((+)) 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) \$1,000,000 of the electric vehicle charging infrastructure account—state appropriation is provided solely for the purpose of capitalizing the Washington electric vehicle infrastructure bank as provided in chapter 44, Laws of 2015 3rd sp. sess. (transportation revenue).))~~

Sec. 915. 2016 c 14 s 215 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M

Motor Vehicle Account—State	Appropriation
(\$418,524,000)	
	<u>\$428,755,000</u>
Motor Vehicle Account—Federal	Appropriation
(\$7,000,000)	
	<u>\$12,000,000</u>
Tacoma Narrows Toll Bridge Account—State	Appropriation
	\$1,235,000
State Route Number 520 Corridor Account—State	Appropriation
	\$4,448,000
TOTAL APPROPRIATION	\$431,207,000
	<u>\$446,438,000</u>

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

(1) ~~(\$6,091,000)~~ \$7,122,000 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.

(2) \$4,448,000 of the state route number 520 corridor account—state appropriation is provided solely to maintain the state route number 520 floating bridge. These funds must be used in accordance with RCW 47.56.830(3).

(3) \$1,235,000 of the Tacoma Narrows toll bridge account—state appropriation is provided solely to maintain the new Tacoma Narrows bridge. These funds must be used in accordance with RCW 47.56.830(3).

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

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

(6) \$25,000 of the motor vehicle account—state appropriation is provided solely for the Northwest avalanche center for an additional forecaster. However, the amount in this subsection is contingent on the state parks and recreation commission receiving funding for its portion of the Northwest avalanche center forecaster in the omnibus appropriations act. If this funding is not provided by June 30, 2016, the appropriation provided in this subsection lapses.

(7) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for safety improvements and operations relating to homeless encampments along Interstate 5 between milepost 162 and milepost 165. The department shall coordinate the timing of the safety improvements with the city of

Seattle and King county to ensure that a collaborative and comprehensive approach is taken to address emergency conditions in support of the city's transitional services.

(8) \$5,000,000 of the motor vehicle account—state appropriation is provided solely for extraordinary snow and ice removal expenses and related road repair expenses incurred during the winter of 2016-2017.

(9) \$5,000,000 of the motor vehicle account—federal appropriation is provided solely for costs necessary to respond to federally reimbursable disasters. The office of financial management shall place the entire amount provided in this subsection in unallotted status. The office of financial management may release portions of the funds when it determines that a federally reimbursable disaster has occurred that requires maintenance funds.

(10) \$161,000 of the motor vehicle account—state appropriation is provided solely for electrical repairs on the Hood Canal bridge due to power surges that caused an electrical fire. The department shall continue to investigate the cause of the fire and pursue cost recovery from the company providing power at the time of the incident if it is determined the incident was the fault of the power company.

Sec. 916. 2016 c 14 s 216 (uncodified) is amended to read as follows:

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

Connecting Washington Account—State	Appropriation
	\$30,000
Motor Vehicle Account—State	Appropriation
(\$57,622,000)	
	<u>\$57,504,000</u>
Motor Vehicle Account—Federal	Appropriation
	\$2,050,000
Motor Vehicle Account—Private/Local	Appropriation
	\$250,000
TOTAL APPROPRIATION	\$59,952,000
	<u>\$59,834,000</u>

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

(1) \$6,000,000 of the motor vehicle account—state appropriation is provided solely for low-cost enhancements. The department shall give priority to low-cost enhancement projects that improve safety or provide congestion relief. The department shall prioritize low-cost enhancement projects on a statewide rather than regional basis. By September 1st of each even-numbered year, the department shall provide a report to the legislature listing all low-cost enhancement projects prioritized on a statewide rather than regional basis completed in the prior year.

(2) During the 2015-2017 fiscal biennium, the department shall continue a pilot program that expands private transportation providers' access to high occupancy vehicle lanes. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, the following vehicles must be authorized to use the reserved portion of the highway if the vehicle has the capacity to carry eight or more passengers, regardless of the number of passengers in the vehicle:

- (a) Auto transportation company vehicles regulated under chapter 81.68 RCW;
- (b) passenger charter carrier vehicles regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules;
- (c) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and
- (d) private employer transportation service vehicles. For purposes of this subsection, "private employer transportation service" means

regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees. Nothing in this subsection is intended to authorize the conversion of public infrastructure to private, for-profit purposes or to otherwise create an entitlement or other claim by private users to public infrastructure.

(3) The legislature recognizes that congestion is increasing on southbound Interstate 5 in Lynnwood, between the Lynnwood transit center and the Mountlake Terrace freeway station, and that allowing transit buses to operate on the shoulder would provide congestion relief and more reliable travel times. Therefore, the department shall, within existing resources, implement a transit bus shoulder operations pilot project on southbound Interstate 5 in Lynnwood, between the Lynnwood transit center and the Mountlake Terrace freeway station. The department shall make all necessary changes to handle the increased traffic and provide a ten-foot shoulder for the transit bypass.

(4) \$30,000 of the connecting Washington account—state appropriation is provided solely for the department to create and install motorist information sign panels for the Jerry Taylor Veterans Plaza in Sunnyside along the state-owned right-of-way near exits 63, 67, and 69 on Interstate 182 and on state route number 241 near the junction with Yakima Valley highway and to install supplemental directional signs as permitted by the affected local government and in accordance with the "Manual on Uniform Traffic Control Devices" and chapter 47.36 RCW.

(5) The department shall implement Senate Joint Memorial No. 8019 within existing resources if Senate Joint Memorial No. 8019 is enacted by the legislature by June 30, 2016, and the Washington state transportation commission takes action to name the facility per Senate Joint Memorial No. 8019 by June 30, 2017.

Sec. 917. 2016 c 14 s 217 (uncodified) is amended to read as follows:

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

Motor	Vehicle	Account—State	Appropriation
			((\$29,625,000))
			<u>\$29,622,000</u>
Motor	Vehicle	Account—Federal	Appropriation
			((\$1,205,000))
			<u>\$1,323,000</u>
Multimodal Transportation Account—State			Appropriation \$1,131,000
TOTAL APPROPRIATION		\$31,961,000	
			<u>\$32,076,000</u>

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

(1) \$288,000 of the motor vehicle account—state appropriation is provided solely for enhanced disadvantaged business enterprise outreach to increase the pool of disadvantaged businesses available for department contracts and to collaborate with the department of labor and industries to recruit women and persons of color to participate in existing transportation apprenticeship programs. The department must submit a status report on disadvantaged business enterprise outreach and apprenticeship recruitment to the transportation committees of the legislature by November 15, 2015.

(2) \$3,000,000 of the motor vehicle account—state appropriation is provided solely for the headquarters communications office. Within the amount provided in this subsection, the department shall complete the web content management system and upgrade the department's web site.

(3) \$750,000 of the motor vehicle account—state appropriation is provided solely for a grant program that makes awards for the following: (a) Support for nonproject agencies,

churches, and other entities to help provide outreach to populations underrepresented in the current apprenticeship programs; (b) preapprenticeship training; and (c) child care, transportation, and other supports that are needed to help women and minorities enter and succeed in apprenticeship. The department must report on grants that have been awarded and the amount of funds disbursed by December 1, 2016, and annually thereafter.

(4)(a) During the 2015-2017 fiscal biennium, the department may proceed with the pilot project selling commercial advertising, including product placement, on department web sites and social media. In addition, the department may sell a version of its mobile application(s) to users who desire to have access to application(s) without advertising.

(b) The department shall deposit all moneys received from the sale of advertisements on web site and mobile applications into the motor vehicle fund created in RCW 46.68.070.

(c) The department shall adopt standards for advertising, product placement, and other forms of commercial recognition that require the department to define and prohibit, at a minimum, the content containing any of the following characteristics, which is not permitted: (i) Obscene, indecent, or discriminatory content; (ii) political or public issue advocacy content; (iii) products, services, or other materials that are offensive, insulting, disparaging, or degrading; or (iv) products, services, or messages that are contrary to the public interest, including any advertisements that encourage or depict unsafe behaviors or encourage unsafe or prohibited driving activities. Alcohol, tobacco, and cannabis are included among the products prohibited.

Sec. 918. 2016 c 14 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
			((\$22,717,000))
			<u>\$22,707,000</u>
Motor	Vehicle	Account—Federal	Appropriation
			((\$26,342,000))
			<u>\$28,217,000</u>
Multimodal Transportation Account—State			Appropriation \$662,000
Multimodal Transportation Account—Federal			Appropriation \$2,809,000
Multimodal Transportation Account—Private/Local			Appropriation \$100,000
TOTAL APPROPRIATION		\$52,630,000	
			<u>\$54,495,000</u>

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

(1) \$368,000 of the motor vehicle account—state appropriation is provided solely for the purchase of an economic impact model. The department shall work with appropriate local jurisdictions to improve consistency between existing and planned transportation demand models. The department shall report back to the transportation committees of the legislature and the office of financial management by December 31, 2015, with any recommendations requiring legislative action.

(2) \$1,000,000 of the motor vehicle account—federal appropriation is provided solely for the corridor sketch program. Priority must be given to the state route number 522 corridor between Maltby and the Snohomish river bridge. Initial corridors must also include state route number 195, Interstate 5 between Bellingham and the vicinity of Mount Vernon, state route number

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160 in the vicinity of Port Orchard, and state route number 28 in the vicinity of East Wenatchee.

(3) Within existing resources, the department shall conduct a traffic and access study of the intersection of the Interurban trail and state route number 104. Options to improve safety at this location must include consideration of a pedestrian and bike overcrossing.

(4)(a) The department must update the state freight mobility plan to comply with the requirements in section 70202 of the federal fixing America's surface transportation act. In updating the state freight mobility plan, the department must involve key freight stakeholders, such as representatives of public ports, the trucking industry, railroads, the marine industry, local governments and planning organizations, the Washington state freight advisory committee, and other freight stakeholders. The updated plan must delete any obsolete project references from the prioritized freight project list.

(b) The department, in conjunction with the stakeholder group, must provide a list of prioritized projects for consideration for funding in the 2017-2019 fiscal biennium. The prioritized list must have approval from all impacted stakeholders. The prioritized list must be submitted to the office of financial management and the transportation committees of the legislature by November 1, 2016.

(5) Within existing resources, the department must evaluate how light pollution from state highways and facilities can be minimized while still meeting appropriate safety standards. Additionally, the department must evaluate how budget savings can be achieved through different types of lighting. To the extent practicable, the department must conduct this work in conjunction with other ongoing study and corridor planning efforts.

~~((7))~~ (6) \$150,000 of the motor vehicle account—state appropriation is provided solely for a safety study of state route number 169 from Jones Road to Cedar Grove. The department must consider collision data and work with local stakeholders to make recommendations for safety improvements in the corridor. A report on the study is due to the transportation committees of the legislature by December 31, 2016.

Sec. 919. 2016 c 14 s 219 (uncodified) is amended to read as follows:

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

Motor Vehicle Account—State Appropriation ~~((\$74,666,000))~~

\$77,036,000

Motor Vehicle Account—Federal Appropriation \$500,000

Multimodal Transportation Account—State

Appropriation ~~((\$3,115,000))~~

\$3,213,000

TOTAL APPROPRIATION \$78,281,000

\$80,749,000

Sec. 920. 2016 c 14 s 220 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V

State Vehicle Parking Account—State Appropriation \$754,000

Regional Mobility Grant Program Account—State

Appropriation ~~((\$74,976,000))~~

\$57,060,000

Rural Mobility Grant Program Account—State

Appropriation \$20,438,000

Multimodal Transportation Account—State

Appropriation ~~((\$72,930,000))~~

\$71,604,000

Multimodal Transportation Account—Federal

Appropriation \$3,588,000

TOTAL APPROPRIATION \$172,686,000

\$153,444,000

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

(1) \$41,250,000 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) \$8,750,000 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) \$32,500,000 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 2013 as reported in the "Summary of Public Transportation - 2013" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions.

(2) \$20,438,000 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) \$6,969,000 of the multimodal transportation account—state appropriation is provided solely for a vanpool grant program for: (i) Public transit agencies to add vanpools or replace vans; and (ii) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; operating costs for public transit agencies are not eligible for funding under this grant program. Additional employees may not be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. The department shall encourage grant applicants and recipients to leverage funds other than state funds.

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

(c) \$400,000 of the amount provided in this subsection is provided solely for the purchase of additional vans for use by vanpools serving or traveling through the Joint Base Lewis-McChord I-5 corridor between mile post 116 and 127.

(4) ~~((\$18,726,000))~~ \$13,010,000 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 ~~((2016-2))~~ 2017-2 ALL PROJECTS as developed ~~((March 7, 2016))~~ April 20, 2017, Program - Public Transportation Program (V).

(5)(a) ~~((\$56,250,000))~~ \$44,050,000 of the regional mobility grant program account—state appropriation is provided solely for the regional mobility grant projects identified in LEAP Transportation Document ~~((2016-2))~~ 2017-2 ALL PROJECTS as developed ~~((March 7, 2016))~~ April 20, 2017, Program - Public Transportation Program (V). The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making

satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, must be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and any remaining funds must be used only to fund projects identified in the LEAP transportation document referenced in this subsection. The department shall provide annual status reports on December 15, 2015, and December 15, 2016, 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 2015-2017 fiscal biennium, a transit agency must establish a process for private transportation providers to apply for the use of park and ride facilities. For purposes of this subsection, (i) "private transportation provider" means: An auto transportation company regulated under chapter 81.68 RCW; a passenger charter carrier regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; a private nonprofit transportation provider regulated under chapter 81.66 RCW; or a private employer transportation service provider; and (ii) "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees.

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

(7) \$5,670,000 of the multimodal transportation account—state appropriation and \$754,000 of the state vehicle parking account—state appropriation are provided solely for CTR grants and activities.

(8) \$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.

(9)(a) \$1,000,000 of the multimodal transportation account—state appropriation is provided solely for the Everett connector service for Island and Skagit transit agencies. The amount provided in this subsection is contingent on Island Transit charging fares that achieve a farebox recovery ratio similar to comparable transit systems.

(b) The amount provided in (a) of this subsection must be held in unallotted status until the office of financial management determines that fares have been both adopted and implemented by Island Transit that achieve a farebox recovery ratio similar to comparable transit systems. Island Transit must notify the office of financial management when it has met the requirements of this subsection.

(10)(a) ~~(\$13,890,000)~~ \$12,565,000 of the multimodal transportation account—state appropriation is provided solely for projects identified in LEAP Transportation Document ~~((2016-3))~~ 2017-2 ALL PROJECTS as developed ~~((March 7, 2016. Except as provided otherwise in this subsection, funds must first be used for projects that are identified as priority one projects. As additional funds become available or if a priority one project is delayed, funding must be provided to priority two projects. If a higher priority project is bypassed, it must be funded when the project is ready. The department must submit a report annually~~

~~with its budget submittal that, at a minimum, includes information about the listed transit projects that have been funded and projects that have been bypassed, including an estimated time frame for when the bypassed project will be funded))~~ April 20, 2017.

(b) \$831,000 of the amount provided in (a) of this subsection is provided solely for Skagit transit system enhancements for expenditure in 2015-2017.

(c) \$2,300,000 of the amount provided in (a) of this subsection is provided solely for Island transit's tri-county connector service for expenditure in 2015-2017.

(d) It is the intent of the legislature to provide \$6,000,000 in the 2017-2019 fiscal biennium and \$6,000,000 in the 2019-2021 fiscal biennium for the Spokane Central city line, in addition to the 2015-2017 fiscal biennium funding provided in the LEAP transportation document identified in (a) of this subsection. It is further the intent of the legislature to provide a total of \$10,000,000 over the 2017-2019 and 2019-2021 fiscal biennia for the Northgate transit center pedestrian bridge.

~~((e) Within existing resources, the public transportation program must develop recommendations regarding potential modifications to the process by which funding is provided to the projects listed in the LEAP transportation document identified in (a) of this subsection. These modifications should include, but are not limited to, options for accelerating the delivery of the listed projects and options for further prioritizing the listed projects. The department must submit a report regarding its recommendations to the transportation committees of the legislature by November 15, 2016.))~~

(11) \$1,000,000 of the multimodal transportation account—state appropriation is provided solely for transit coordination grants.

(12) Within the amounts provided in this section, the public transportation program must conduct a study of public transportation agencies in Washington that provide regional public transportation service outside the boundaries of the agency. The study must consider: (a) The cost to provide these existing regional services, the current source of funds for these services, and the applicable ridership data from these existing regional services; (b) the number of trips removed from the state highway system as a result of these regional services; (c) areas of the state highway system that do not have such regional service available; and (d) potential funding sources at the state level to support a portion of current and potential regional services. The public transportation program must provide a report on its findings and recommendations to the transportation committees of the legislature by November 15, 2016.

Sec. 921. 2016 c 14 s 221 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X

Puget Sound Ferry Operations Account—State
Appropriation ~~(((\$478,319,000))~~

\$478,985,000

Puget Sound Ferry Operations Account—Federal
Appropriation ~~(((\$5,908,000))~~

\$5,156,000

Puget Sound Ferry Operations Account—Private/Local
Appropriation \$121,000

TOTAL APPROPRIATION \$484,348,000

\$484,262,000

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

(1) The office of financial management budget instructions require agencies to recast enacted budgets into activities. The Washington state ferries shall include a greater level of detail in its 2015-2017 supplemental and 2017-2019 omnibus

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transportation appropriations act requests, as determined jointly by the office of financial management, the Washington state ferries, and the transportation committees of the legislature. This level of detail must include the administrative functions in the operating as well as capital programs.

(2) Until a reservation system is operational on the San Juan islands inter-island route, the department shall provide the same priority loading benefits on the San Juan islands inter-island route to home health care workers as are currently provided to patients traveling for purposes of receiving medical treatment.

(3) For the 2015-2017 fiscal biennium, the department may enter into a distributor controlled fuel hedging program and other methods of hedging approved by the fuel hedging committee.

(4) ~~(\$78,306,000)~~ \$77,091,000 of the Puget Sound ferry operations account—state appropriation is provided solely for auto ferry vessel operating fuel in the 2015-2017 fiscal biennium, which reflect cost savings from a reduced biodiesel fuel requirement and, therefore, is contingent upon the enactment of section 701, c 10, Laws of 2015 1st sp. sess. The amount provided in this subsection represents the fuel budget for the purposes of calculating any ferry fare fuel surcharge.

(5) When purchasing uniforms that are required by collective bargaining agreements, the department shall contract with the lowest cost provider.

(6) During the 2015-2017 fiscal biennium, the department shall not operate a winter sailing schedule for a time period longer than twelve weeks.

(7) \$496,000 of the Puget Sound ferry operations account—state appropriation is provided solely for ferry terminal traffic control at the Fauntleroy ferry terminal. The department shall utilize existing contracts to provide a uniformed officer to assist with ferry terminal traffic control at the Fauntleroy ferry terminal.

(8) \$1,551,000 of the Puget Sound ferry operations account—state appropriation is provided solely for improvements to the reservation system. The department shall actively encourage ferry reservation customers to use the online option for making and changing reservations and shall not use these funds for call center staff.

(9) \$30,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the marine division assistant secretary's designee to the board of pilotage commissioners, who serves as the board chair. As the agency chairing the board, the department shall direct the board chair, in his or her capacity as chair, to require that the report to the governor and chairs of the transportation committees required under RCW 88.16.035(1)(f) be filed by September 1, 2015, and annually thereafter, and that the report include the establishment of policies and procedures necessary to increase the diversity of pilots, trainees, and applicants, including a diversity action plan. The diversity action plan must articulate a comprehensive vision of the board's diversity goals and the steps it will take to reach those goals.

(10) ~~(\$5,908,000)~~ \$5,156,000 of the Puget Sound ferry operations account—federal appropriation is provided solely for vessel maintenance.

(11) \$48,000 of the Puget Sound ferry operations account—state appropriation is provided solely for staff sufficient to allow passenger accessibility aboard the M/V Tokitae to the sun deck during daylight hours on Saturdays and Sundays of the summer sailing season.

Sec. 922. 2016 c 14 s 222 (uncodified) is amended to read as follows:

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

Multimodal Transportation Account—State

Appropriation ~~(((\$59,473,000))~~

\$59,476,000

Multimodal Transportation Account—Private/Local

Appropriation \$45,000

TOTAL APPROPRIATION \$59,518,000

\$59,521,000

Sec. 923. 2016 c 14 s 223 (uncodified) is amended to read as follows:

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

Motor Vehicle Account—State Appropriation

~~(((\$9,324,000))~~

\$9,321,000

Motor Vehicle Account—Federal Appropriation

\$2,567,000

Multiuse Roadway Safety Account—State Appropriation

\$131,000

TOTAL APPROPRIATION \$12,022,000

\$12,019,000

TRANSPORTATION AGENCIES—CAPITAL

Sec. 1001. 2016 c 14 s 301 (uncodified) is amended to read as follows:

FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Freight Mobility Investment Account—State

Appropriation ~~(((\$13,217,000))~~

\$5,142,000

Freight Mobility Multimodal Account—State

Appropriation ~~(((\$11,859,000))~~

\$3,315,000

~~((Freight Mobility Multimodal Account—Private/Local—~~

~~Appropriation—\$1,320,000))~~

Highway Safety Account—State Appropriation

~~(((\$2,765,000))~~

\$865,000

Motor Vehicle Account—State Appropriation \$83,000

~~((Motor Vehicle Account Federal Appropriation—\$3,250,000))~~

TOTAL APPROPRIATION \$32,494,000

\$9,405,000

Sec. 1002. 2016 c 14 s 302 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State Appropriation

~~(((\$5,895,000))~~

\$5,815,000

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

(1) \$250,000 of the state patrol highway account—state appropriation is provided solely for unforeseen emergency repairs on facilities.

(2) \$560,000 of the state patrol highway account—state appropriation is provided solely for the replacement of the roofs of the Shelton academy multipurpose building, Tacoma district office building, Kennewick detachment building, and Ridgefield and Plymouth weigh station buildings.

(3) \$150,000 of the state patrol highway account—state appropriation is provided solely for upgrades to scales at Goldendale required to meet current certification requirements.

(4) \$2,350,000 of the state patrol highway account—state appropriation is provided solely for funding to repair and replace the academy asphalt emergency vehicle operation course.

(5) \$500,000 of the state patrol highway account—state appropriation is provided solely for replacement of generators at Marysville, Baw Faw, Gardner, Pilot Rock, and Ridpath.

(6) \$150,000 of the state patrol highway account—state appropriation is provided solely for painting and caulking in several locations.

(7) \$350,000 of the state patrol highway account—state appropriation is provided solely for pavement preservation at the Wenatchee district office and the Spokane district office.

(8) \$700,000 of the state patrol highway account—state appropriation is provided solely for energy upgrades at two district offices and two detachments.

(9) \$300,000 of the state patrol highway account—state appropriation is provided solely for repair of the academy training tank.

(10) \$130,000 of the state patrol highway account—state appropriation is provided solely for communication site roof repair to reroof equipment shelters at radio communication sites statewide.

(11) \$275,000 of the state patrol highway account—state appropriation is provided solely for the replacement of the broadcast tower at the Steptoe Butte radio communications site.

(12) \$100,000 of the state patrol highway account—state appropriation is provided solely for the dry-pipe fire suppression system rebuild at the Marysville district office.

Sec. 1003. 2016 c 14 s 303 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State	
Appropriation	(\$56,094,000)
	<u>\$45,055,000</u>
Motor Vehicle Account—State	Appropriation
\$10,706,000	
County Arterial Preservation Account—State	
Appropriation	\$32,344,000
TOTAL APPROPRIATION	\$99,144,000
	<u>\$88,105,000</u>

Sec. 1004. 2016 c 14 s 304 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD

Small City Pavement and Sidewalk Account—State	
Appropriation	(\$4,301,000)
	<u>\$2,551,000</u>
Highway Safety Account—State	Appropriation
\$10,000,000	
Transportation Improvement Account—State	
Appropriation	(\$249,988,000)
	<u>\$218,488,000</u>
Multimodal Transportation Account—State	
Appropriation	\$3,313,000
TOTAL APPROPRIATION	\$267,602,000
	<u>\$234,352,000</u>

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

(1) The highway safety account—state appropriation is provided solely for:

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

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

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

(2) \$3,313,000 of the multimodal transportation account—state appropriation is provided solely for the complete streets program.

Sec. 1005. 2016 c 14 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	(\$1,043,000)
	<u>\$1,044,000</u>
Motor Vehicle Account—State	Appropriation
(\$7,276,000)	
	<u>\$7,387,000</u>
Connecting Washington Account—State	Appropriation
(\$14,000,000)	
	<u>\$4,847,000</u>
TOTAL APPROPRIATION	\$22,319,000
	<u>\$13,278,000</u>

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

(1) \$1,043,000 of the transportation partnership account—state appropriation is provided solely for completion of a new traffic management center in Shoreline, Washington. By September 30, 2015, the department shall report to the transportation committees of the legislature and the office of financial management on the resulting vacancy rate of the existing regional headquarters building in Shoreline, plans to consolidate department staff into the building, and the schedule for terminating the current lease of the Goldsmith building in Seattle, and provide an update on future plans to consolidate agency staff within the region.

(2) ~~(\$4,000,000)~~ \$934,000 of the connecting Washington account—state appropriation is provided solely for a new Olympic region maintenance and administration facility to be located on the department-owned site at the intersection of Marvin Road and 32nd Avenue. The property purchase was approved by the 2005 legislature for the site of the new Olympic region and the land was acquired by the department in August 2005. The department must work with the office of financial management's facilities oversight program to develop a revised predesign for a new Olympic region facility, with an estimated total cost of no more than forty million dollars. Priority must be given to accommodating the maintenance and operations functions of the Olympic region. The department must provide a copy of the revised predesign to the transportation committees of the legislature by December 2015.

(3) ~~(\$10,000,000)~~ \$3,913,000 of the connecting Washington account—state appropriation is provided solely for a new administration facility on Euclid Avenue in Wenatchee, Washington.

Sec. 1006. 2016 c 14 s 306 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I

Multimodal Transportation Account—State	
Appropriation	(\$19,181,000)
	<u>\$19,176,000</u>
Transportation Partnership Account—State	
Appropriation	(\$1,065,758,000)
	<u>\$994,147,000</u>
Motor Vehicle Account—State	Appropriation
(\$71,841,000)	
	<u>\$72,890,000</u>
Motor Vehicle Account—Federal	Appropriation
(\$315,447,000)	
	<u>\$293,164,000</u>
Motor Vehicle Account—Private/Local	Appropriation
(\$177,022,000)	
	<u>\$186,360,000</u>
Transportation 2003 Account (Nickel Account)—State	

Appropriation ~~(\$79,064,000)~~
\$76,668,000
 State Route Number 520 Corridor Account—State
 Appropriation ~~(\$368,121,000)~~
\$135,041,000
 State Route Number 520 Corridor Account—Federal
 Appropriation \$104,801,000
 State Route Number 520 Civil Penalties Account—
 State Appropriation \$14,000,000
 Special Category C Account—State Appropriation
~~(\$6,000,000)~~
\$5,855,000
Interstate 405 Express Toll Lanes Operations
Account—State Appropriation \$9,500,000
 Connecting Washington Account—State Appropriation
~~(\$229,425,000)~~
\$181,837,000
 TOTAL APPROPRIATION \$2,450,660,000
\$2,093,439,000

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 (~~(2016-4)~~) 2017-1 as developed (~~(March 7, 2016)~~) April 20, 2017, Program - Highway Improvements Program (I). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 (~~(of this act)~~), chapter . . . (Engrossed Senate Bill No. 5096), Laws of 2017.

(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 (~~(2016-2)~~) 2017-2 ALL PROJECTS as developed (~~(March 7, 2016)~~) April 20, 2017, Program - Highway Improvements Program (I). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and bridge preservation activities. 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 (~~(\$79,064,000)~~) \$76,666,000 in proceeds from the sale of bonds authorized by RCW 47.10.861.

(5) The transportation partnership account—state appropriation includes up to \$546,857,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(6) (~~(\$4,359,000)~~) \$4,360,000 of the motor vehicle account—state appropriation is provided solely for the I-5/JBLM Early Corridor Design project (300596S) to complete an environmental impact statement for a project that creates additional general purpose lanes on Interstate 5 in the Joint Base Lewis-McChord corridor. The design of this project must be high occupancy vehicle lane ready for a future connection to the Interstate 5 high occupancy vehicle lane system that currently terminates in Tacoma.

(7) (~~(\$267,071,000)~~) \$266,277,000 of the transportation partnership account—state appropriation, (~~(\$55,389,000)~~) \$55,390,000 of the motor vehicle account—federal appropriation, (~~(\$156,423,000)~~) \$166,423,000 of the motor vehicle account—private/local appropriation, (~~(\$45,400,000)~~) \$45,401,000 of the transportation 2003 account (nickel account)—state appropriation, and \$2,139,000 of the multimodal transportation account—state appropriation are provided solely for the SR 99/Alaskan Way Viaduct Replacement project (809936Z).

(8) \$17,000,000 of the multimodal transportation account—state appropriation and \$1,676,000 of the transportation partnership account—state appropriation are provided solely for transit mitigation for the SR 99/Viaduct Project - Construction Mitigation project (809940B). The transportation partnership account—state appropriation must be placed in unallotted status and may only be released by the office of financial management for unpaid invoices from the 2013-2015 fiscal biennium.

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

(10) (~~(\$22,191,000)~~) \$21,463,000 of the transportation partnership account—state appropriation, (~~(\$5,576,000)~~) \$6,342,000 of the transportation 2003 account (nickel account)—state appropriation, (~~(\$42,000)~~) \$37,000 of the multimodal transportation account—state appropriation, (~~(\$6,000,000)~~) \$5,855,000 of the special category C account—state appropriation, \$368,000 of the motor vehicle account—state appropriation, (~~(\$13,000)~~) \$14,000 of the motor vehicle account—private/local appropriation, and (~~(\$12,976,000)~~) \$12,696,000 of the motor vehicle account—federal appropriation are provided solely for the US 395/North Spokane Corridor project (600010A). Any future savings on the project must stay on the US 395/Interstate 90 corridor and be made available to the current phase of the North Spokane corridor project or any future phase of the project in 2015-2017.

(11) (~~(\$34,732,000)~~) (a) \$31,225,000 of the transportation partnership account—state appropriation, (~~(\$7,329,000)~~) \$6,274,000 of the transportation 2003 account (nickel account)—state appropriation, and \$56,000 of the motor vehicle account—private/local appropriation are provided solely for the I-405/Kirkland Vicinity Stage 2 - Widening project (8B11002). 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 (M00900R), or the I-405/SR 522 to I-5 Capacity Improvements project (L2000234) in the 2015-2017 fiscal biennium.

(b) \$3,500,000 of the transportation partnership account—state appropriation is provided solely for preliminary engineering for adding capacity on Interstate 405 between state route number 522 and Interstate 5. The funding is a transfer from the I-405/Kirkland Vicinity Stage 2 - Widening project due to savings, and will start an additional phase of this I-405 project.

(12)(a) The SR 520 Bridge Replacement and HOV project (8B11003) is supported over time from multiple sources,

including a \$300,000,000 TIFIA loan, \$923,000,000 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 \$343,834,000 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 \$104,801,000 in proceeds from the sale of bonds authorized in RCW 47.10.879 and 47.10.886.

(d) ~~(((\$126,937,000))~~ \$45,680,000 of the transportation partnership account—state appropriation, \$104,801,000 of the state route number 520 corridor account—federal appropriation, and ~~(((\$368,121,000))~~ \$110,910,000 of the state route number 520 corridor account—state appropriation are provided solely for the SR 520 Bridge Replacement and HOV project (8BI1003). ~~((Of the amounts appropriated in this subsection (12)(d), \$233,085,000 of the state route number 520 corridor account—state appropriation must be put into unallotted status and is 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.

(13) \$14,000,000 of the state route number 520 civil penalties account—state appropriation is provided solely for the department to continue to work with the Seattle department of transportation in their joint planning, design, right-of-way acquisition, outreach, and operation of the remaining west side elements including, but not limited to, the Montlake lid, the bicycle/pedestrian path, the effective network of transit connections, and the Portage Bay bridge of the SR 520 Bridge Replacement and HOV project.

(14) \$1,056,000 of the motor vehicle account—federal appropriation and \$38,000 of the motor vehicle account—state appropriation are provided solely for the 31st Ave SW Overpass Widening and Improvement project (L1100048).

(15) 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, 2017, 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.

(16) 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.

(17) 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 2016 budget submittal. It is the intent of the legislature that new facility construction must be transparent and not appropriated within larger highway construction projects.

(18) ~~(((\$52,869,000))~~ \$44,742,000 of the motor vehicle account—federal appropriation, ~~(((\$4,439,000))~~ \$4,381,000 of the

motor vehicle account—state appropriation, and ~~(((\$1,085,000))~~ \$529,000 of the motor vehicle account—private/local appropriation are provided solely for fish passage barrier and chronic deficiency improvements (0BI4001).

(19) Any new advisory group that the department convenes during the 2015-2017 fiscal biennium must consider the interests of the entire state of Washington.

(20) Except as provided otherwise in this section, the entire connecting Washington account appropriation is provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document ~~((2016-1))~~ 2017-1 as developed ~~((March 7, 2016))~~ April 20, 2017, Program - Highway Improvements Program (I).

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

(22) Of the amounts allocated to the Puget Sound Gateway project (M00600R) in LEAP Transportation Document ~~((2016-1))~~ 2017-1 as developed ~~((March 7, 2016))~~ April 20, 2017, \$4,000,000 must be used to complete the bridge connection at 28th/24th Street over state route number 509 in the city of SeaTac. The bridge connection must be completed prior to other construction on the state route number 509 segment of the project.

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

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

(25) ~~(((\$1,500,000))~~ \$901,000 of the motor vehicle account—state appropriation is provided solely for the department to ~~((complete))~~ continue to work on an interchange justification report (IJR) for the U.S. 2 trestle, covering the state route number 204 and 20th Street interchanges at the end of the westbound structure.

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

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

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

(26)(a) The department must conduct outreach to local transit agencies during the planning process for highway construction projects led by the department.

(b) The department must develop process recommendations for best practices in minimizing impacts to transit and freight during project construction. A report on best practices must be submitted to the transportation committees of the legislature by December 1, 2016.

(27) The legislature finds that project efficiencies and savings may be gained by combining the I-5 Marine Drive project (I5OTC1A1) and the SR 529/I-5 Interchange project (N52900R). The department must deliver them as one project, the I-5 Peak Hour Use Lanes and Interchange Improvements project (L2000229), using a design-build approach.

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

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

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

(29) \$9,500,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for the I-405 NB Hard Shoulder Running – SR 527 to I-5 project (L1000163).

Sec. 1007. 2016 c 14 s 307 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION— PRESERVATION—PROGRAM P

Transportation Partnership Account—State	
Appropriation	(\$6,489,000)
	<u>\$6,434,000</u>
Motor Vehicle Account—State	Appropriation
	(\$70,908,000)
	<u>\$68,694,000</u>
Motor Vehicle Account—Federal	Appropriation
	(\$475,025,000)
	<u>\$525,688,000</u>
Motor Vehicle Account—Private/Local	Appropriation
	(\$8,647,000)
	<u>\$8,092,000</u>
Transportation 2003 Account (Nickel Account)—State	
Appropriation	(\$28,032,000)

	<u>\$26,654,000</u>
Tacoma Narrows Toll Bridge Account—State	
Appropriation	(\$4,564,000)
	<u>\$1,038,000</u>
Recreational Vehicle Account—State	Appropriation
	(\$2,194,000)
	<u>\$2,197,000</u>
High Occupancy Toll Lanes Operations Account—State	
Appropriation	\$1,000,000
State Route Number 520 Corridor Account—State	
Appropriation	(\$1,730,000)
	<u>\$1,460,000</u>
Connecting Washington Account—State	Appropriation
	(\$79,963,000)
	<u>\$77,134,000</u>
TOTAL APPROPRIATION	\$678,552,000
	<u>\$718,391,000</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 ((2016-4)) 2017-1 as developed ((~~March 7, 2016~~)) April 20, 2017, Program - Highway Preservation Program (P). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 ~~((of this act)), chapter . . . (Engrossed Senate Bill No. 5096), Laws of 2017.~~

(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 ((2016-2)) 2017-2 ALL PROJECTS as developed ((~~March 7, 2016~~)) April 20, 2017, Program - Highway Preservation Program (P). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and bridge preservation activities. 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 ~~(\$28,032,000)~~ \$26,654,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

(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 by December 1, 2015, 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) ~~(\$38,142,000)~~ \$6,545,000 of the motor vehicle account—federal appropriation and ~~(\$858,000)~~ \$188,000 of the motor vehicle account—state appropriation are provided solely for the preservation of structurally deficient bridges or bridges that are at risk of becoming structurally deficient. These funds must be used widely around the state of Washington. The department shall provide a report that identifies the scope, cost, and benefit of each project funded in this subsection as part of its 2016 agency budget request.

(7) Except as provided otherwise in this section, the entire connecting Washington account appropriation in this section is provided solely for the projects and activities as listed in LEAP Transportation Document ((2016-1)) 2017-1 as developed ((~~March 7, 2016~~) April 20, 2017, Program - Highway Preservation Program (P).

(8) It is the intent of the legislature that, with respect to the amounts provided for highway preservation from the connecting Washington account, the department consider the preservation and rehabilitation of concrete roadway on Interstate 5 from the Canadian border to the Oregon border to be a priority within the preservation program.

(9) \$5,000,000 of the motor vehicle account—state appropriation is provided solely for extraordinary costs incurred from litigation awards, settlements, or dispute mitigation activities not eligible for funding from the self-insurance fund. The amount provided in this subsection must be held in unallotted status until the department submits a request to the office of financial management that includes documentation detailing litigation-related expenses. The office of financial management may release the funds only when it determines that all other funds designated for litigation awards, settlements, and dispute mitigation activities have been exhausted. No funds provided in this subsection may be expended on any legal fees related to the SR99/Alaskan Way viaduct replacement project.

(10)(a) The department and the Washington state patrol must work collaboratively to develop a comprehensive plan for weigh station construction and preservation for the entire state. The plan must be submitted to the transportation committees of the legislature by January 1, 2017.

(b) As part of the 2017-2019 biennial budget submittal, the department and the Washington state patrol must jointly submit a prioritized list of weigh station projects for legislative approval.

(11) The department must consult with the Washington state patrol during the design phase of a department-led improvement or preservation project that could impact weigh station operations. The department must ensure that the designs of the projects do not prevent or interfere with weigh station operations.

Sec. 1008. 2016 c 14 s 308 (uncodified) is amended to read as follows:

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

Motor Vehicle Account—State	Appropriation
((\$7,190,000))	<u>\$6,783,000</u>
Motor Vehicle Account—Federal	Appropriation
((\$7,567,000))	<u>\$6,716,000</u>
Motor Vehicle Account—Private/Local	Appropriation
((\$200,000))	<u>\$201,000</u>
TOTAL APPROPRIATION	\$14,957,000
	<u>\$13,700,000</u>

The appropriations in this section are subject to the following conditions and limitations: The department shall set aside a sufficient portion of the motor vehicle account—state appropriation for federally selected competitive grants or congressional earmark projects that require matching state funds. State funds set aside as matching funds for federal projects must be accounted for in project 000005Q and remain in unallotted status until needed for those federal projects.

Sec. 1009. 2016 c 14 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	((\$57,764,000))	<u>\$57,037,000</u>
Puget Sound Capital Construction Account—Federal	Appropriation	((\$153,647,000))	<u>\$136,346,000</u>
Puget Sound Capital Construction Account—Private/Local	Appropriation	\$3,730,000	
Transportation 2003 Account (Nickel Account)—State	Appropriation	\$122,089,000	
Connecting Washington Account—State	Appropriation	((\$68,805,000))	<u>\$72,689,000</u>
TOTAL APPROPRIATION		\$406,035,000	<u>\$391,891,000</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 ((2016-2)) 2017-2 ALL PROJECTS as developed ((~~March 7, 2016~~) April 20, 2017, Program - Washington State Ferries Capital Program (W).

(2) \$90,545,000 of the transportation 2003 account (nickel account)—state appropriation is provided solely for the acquisition of a 144-car vessel (L1000063). The department shall use as much already procured equipment as practicable on the 144-car vessels.

(3) ((~~\$46,989,000~~)) \$26,742,000 of the Puget Sound capital construction account—federal appropriation, ((~~\$2,000,000~~)) \$5,884,000 of the connecting Washington account—state appropriation, \$562,000 of the transportation 2003 account (nickel account)—state appropriation, and ((~~\$490,000~~)) \$491,000 of the Puget Sound capital construction account—state appropriation are provided solely for the Mukilteo ferry terminal (952515P). It is the intent of the legislature, over the sixteen-year investment program, to provide ((~~\$155,000,000~~)) \$159,061,000 to complete the Mukilteo Terminal Replacement project (952515P). These funds are identified in the LEAP transportation document referenced in subsection (1) of this section. To the greatest extent practicable and within available resources, the department shall design the new terminal to be a net zero energy building. To achieve this goal, the department shall evaluate using highly energy efficient equipment and systems, and the most appropriate renewable energy systems for the needs and location of the terminal.

(4) \$7,000,000 of the Puget Sound capital construction account—state appropriation is provided solely for emergency capital repair costs (999910K). Funds may only be spent after approval by the office of financial management.

(5) 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 terminal modifications.

(6) If the department pursues a conversion of the existing diesel powered Issaquah class fleet to a different fuel source or engine technology or the construction of a new vessel powered by a fuel source or engine technology that is not diesel powered, the department must use a design-build procurement process.

(7) Funding is included in the future biennia of the LEAP transportation document referenced in subsection (1) of this section for future vessel purchases. Given that the recent purchase of new vessels varies from the current long range plan, the department shall include in its updated long range plan revised

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estimates for new vessel costs, size, and purchase time frames. Additionally, the long range plan must include a vessel retirement schedule and associated reserve vessel policy recommendations.

(8) \$325,000 of the Puget Sound capital construction account—state appropriation is provided solely for the ferry system to participate in the development of one account-based system for customers of both the ferry system and tolling system. The current Wave2Go ferry ticketing system is reaching the end of its useful life and the department is expected to develop a replacement account-based system as part of the new tolling division customer service center toll collection system.

(9) Within existing resources, the department must evaluate the feasibility of utilizing the federal EB-5 immigrant investor program for financing the construction of a safety of life at sea (SOLAS) certificated vessel for the Anacortes-Sidney ferry route. The department must establish a group that includes, but is not limited to, the department of commerce and entities or individuals experienced with vessel engineering and EB-5 financing for assistance in evaluating the applicability of the EB-5 immigrant investor program. The department must deliver a report containing the results of the evaluation to the transportation committees of the legislature and the office of financial management by December 1, 2015.

(10) It is the intent of the legislature, over the sixteen-year investment program, to provide (~~(\$316,000,000)~~) \$349,500,000 to complete the Seattle Terminal Replacement project (900010L), 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. These funds are identified in the LEAP transportation document referenced in subsection (1) of this section.

(11) It is the intent of the legislature, over the sixteen-year new investment program, to provide \$122,000,000 in state funds to complete the acquisition of a fourth 144-car vessel (L2000109). These funds are identified in the LEAP transportation document referenced in subsection (1) of this section.

(12) \$300,000 of the Puget Sound capital construction account—state appropriation is provided solely to issue a request for proposals and purchase pilot program customer counting equipment. By June 30, 2017, the department must report to the governor and the transportation committees of the legislature on the most effective way to count ferry passengers.

(13) (~~(\$1,430,000)~~) \$1,255,000 of the Puget Sound capital construction account—federal appropriation and (~~(\$1,366,000)~~) \$889,000 of the Puget Sound capital construction—state appropriation are provided solely for installation of security access control and video monitoring systems, and for enhancing wireless network capacity to handle higher security usage, increase connectivity between vessels and land-based facilities, and isolate the security portion of the network from regular business (~~(project)~~) 998925A).

(14) The transportation 2003 account (nickel account)—state appropriation includes up to (~~(\$4,131,000)~~) \$17,817,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

(15) The department shall submit a cost estimate to procure a fifth 144-car vessel to the governor and the transportation committees of the legislature by June 30, 2017. The estimate must include, but is not limited to, construction costs, estimated operating costs, and any potential savings from replacing a currently operating vessel with a fifth 144-car vessel.

Sec. 1010. 2016 c 14 s 310 (uncodified) is amended to read as follows:

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

Essential Rail Assistance Account—State	
Appropriation	\$1,459,000
Transportation Infrastructure Account—State	
Appropriation	\$7,154,000
Multimodal Transportation Account—State	
Appropriation	((\$37,205,000))
	<u>\$31,320,000</u>
Multimodal Transportation Account—Federal	
Appropriation	((\$492,217,000))
	<u>\$491,591,000</u>
TOTAL APPROPRIATION	\$538,035,000
	<u>\$531,524,000</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 (~~(2016-2)~~) 2017-2 ALL PROJECTS as developed (~~(March 7, 2016)~~) April 20, 2017, Program - Rail Program (Y).

(2) \$5,000,000 of the transportation infrastructure account—state appropriation is provided solely for new low-interest loans approved by the department through the freight rail investment bank (FRIB) program. The department shall issue FRIB program loans with a repayment period of no more than ten years, and charge only so much interest as is necessary to recoup the department's costs to administer the loans. For the 2015-2017 fiscal biennium, the department shall first award loans to 2015-2017 FRIB loan applicants in priority order, and then offer loans to 2015-2017 unsuccessful freight rail assistance program grant applicants, if eligible. If any funds remain in the FRIB program, the department may reopen the loan program and shall evaluate new applications in a manner consistent with past practices as specified in section 309, chapter 367, Laws of 2011. The department shall report annually to the transportation committees of the legislature and the office of financial management on all FRIB loans issued.

(3)(a) (~~(\$5,484,000)~~) \$5,429,000 of the multimodal transportation account—state appropriation, \$270,000 of the essential rail assistance account—state appropriation, and \$455,000 of the transportation infrastructure account—state appropriation are provided solely for new statewide emergent freight rail assistance projects identified in the LEAP transportation document referenced in subsection (1) of this section.

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

(4) ~~((\\$487,297,000))~~ \\$487,163,000 of the multimodal transportation account—federal appropriation and ~~((\\$13,679,000))~~ \\$10,991,000 of the multimodal transportation account—state appropriation are provided solely for expenditures related to passenger high-speed rail grants. Except for the Mount Vernon project (P01101A), the multimodal transportation account—state funds reflect no more than one and one-half percent of the total project funds, and are provided solely for expenditures that are not eligible for federal reimbursement.

(5)(a) \$1,114,000 of the essential rail assistance account—state appropriation, \$766,000 of the multimodal transportation account—state appropriation, and \$68,000 of the transportation infrastructure account—state appropriation are provided solely for the purpose of the rehabilitation and maintenance of the Palouse river and Coulee City railroad line (F01111B).

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

(i) Revenues 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.

(6) The department shall issue a call for projects for the freight rail assistance program, and shall evaluate the applications in a manner consistent with past practices as specified in section 309, chapter 367, Laws of 2011. By November 15, 2016, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

Sec. 1011. 2016 c 14 s 311 (uncodified) is amended to read as follows:

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

Highway Infrastructure Account—State Appropriation \$790,000

Highway Infrastructure Account—Federal Appropriation \$503,000

Transportation Partnership Account—State Appropriation ~~((\\$4,054,000))~~

\\$2,911,000

Highway Safety Account—State Appropriation ~~((\\$11,647,000))~~

\\$9,259,000

Motor Vehicle Account—State Appropriation ~~((\\$1,271,000))~~

\\$1,171,000

Motor Vehicle Account—Federal Appropriation ~~((\\$28,043,000))~~

\\$17,571,000

Multimodal Transportation Account—State Appropriation ~~((\\$34,031,000))~~

\\$26,119,000

Connecting Washington Account—State Appropriation ~~((\\$47,669,000))~~

\\$27,069,000

TOTAL APPROPRIATION \$128,008,000

\\$85,393,000

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document ~~((2016-2))~~ 2017-2 ALL PROJECTS as

developed ~~((March 7, 2016))~~ April 20, 2017, Program - Local Programs Program (Z).

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

(a) ~~((\\$20,653,000))~~ \\$14,221,000 of the multimodal transportation account—state appropriation and ~~((\\$3,579,000))~~ \\$2,436,000 of the transportation partnership account—state appropriation are provided solely for pedestrian and bicycle safety program projects ~~((project))~~ L2000188).

(b) ~~((\\$11,400,000))~~ \\$6,303,000 of the motor vehicle account—federal appropriation, ~~((\\$1,750,000))~~ \\$925,000 of the multimodal transportation account—state appropriation, and ~~((\\$6,750,000))~~ \\$4,690,000 of the highway safety account—state appropriation are provided solely for newly selected safe routes to school projects. ~~((\\$8,782,000))~~ \\$7,507,000 of the motor vehicle account—federal appropriation, ~~((\\$124,000))~~ \\$26,000 of the multimodal transportation account—state appropriation, and ~~((\\$4,897,000))~~ \\$4,569,000 of the highway safety account—state appropriation are reappropriated for safe routes to school projects selected in the previous biennia ~~((project))~~ L2000189). The department may consider the special situations facing high-need areas, as defined by schools or project areas in which the percentage of the children eligible to receive free and reduced-price meals under the national school lunch program is equal to, or greater than, the state average as determined by the department, when evaluating project proposals against established funding criteria while ensuring continued compliance with federal eligibility requirements.

(3) The department shall submit a report to the transportation committees of the legislature by December 1, 2015, and December 1, 2016, on the status of projects funded as part of the pedestrian safety/safe routes to school grant program. The report must include, but is not limited to, a list of projects selected and a brief description of each project's status.

(4) \$500,000 of the motor vehicle account—state appropriation is provided solely for the Edmonds waterfront at-grade train crossings alternatives analysis project (L2000135). The department shall work with the city of Edmonds and provide a preliminary report of key findings to the transportation committees of the legislature and the office of financial management by December 1, 2015.

~~(5)((a)(\$9,900,000))~~ \\$9,343,000 of the multimodal transportation account—state appropriation is provided solely for bicycle and pedestrian projects listed in the LEAP transportation document ~~((2016-4 as developed March 7, 2016. Funds must first be used for projects that are identified as priority one projects. As additional funds become available or if a priority one project is delayed, funding must be provided to priority two projects and then to priority three projects. If a higher priority project is bypassed, it must be funded in the first round after the project is ready. If funds become available as a result of projects being removed from this list or completed under budget, the department may submit additional bicycle and pedestrian safety projects for consideration by the legislature. The department must submit a report annually with its budget submittal that, at a minimum, includes information about the listed bicycle and pedestrian projects that have been funded and projects that have been bypassed, including an estimated time frame for when the project will be funded.~~

~~(b) Within existing resources, the local programs division must develop recommendations regarding potential modifications to the process by which funding is provided to the projects listed in the LEAP transportation document identified in (a) of this subsection. These modifications should include, but are not limited to, options for accelerating delivery of the listed projects~~

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and options for further prioritizing the listed projects. The department must submit a report regarding its recommendations to the transportation committees of the legislature by November 15, 2016) referenced in subsection (1) of this section.

TRANSFERS AND DISTRIBUTIONS

Sec. 1101. 2016 c 14 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 \$3,610,000
 Highway Bond Retirement Account—State Appropriation ~~(\$1,176,906,000)~~
\$1,173,441,000
 Ferry Bond Retirement Account—State Appropriation ~~(\$29,230,000)~~
\$29,231,000
 Transportation Improvement Board Bond Retirement Account—State Appropriation ~~(\$16,129,000)~~
\$16,080,000
 State Route Number 520 Corridor Account—State Appropriation \$559,000
 Nondebt-Limit Reimbursable Bond Retirement Account—State Appropriation ~~(\$25,837,000)~~
\$25,332,000
 Toll Facility Bond Retirement Account—State Appropriation ~~(\$72,880,000)~~
\$67,850,000
 Motor Vehicle Account—State Appropriation \$2,500,000
 Transportation 2003 Account (Nickel Account)—State Appropriation \$477,000
 TOTAL APPROPRIATION \$1,328,128,000
\$1,319,080,000

The appropriations in this section are subject to the following conditions and limitations: \$2,500,000 of the motor vehicle account—state appropriation is provided solely for debt service payment and withholding for the Tacoma Narrows bridge, with the intent of forestalling the need for the Washington state transportation commission to raise toll rates for the Tacoma Narrows bridge for fiscal year 2017.

Sec. 1102. 2016 c 14 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 \$697,000
 Transportation 2003 Account (Nickel Account)—State Appropriation \$87,000
State Route Number 520 Corridor Account—State Appropriation \$134,000
 TOTAL APPROPRIATION \$784,000
\$918,000

Sec. 1103. 2016 c 14 s 403 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR

DEBT TO BE PAID BY STATUTORILY PRESCRIBED REVENUE

Toll Facility Bond Retirement Account—Federal Appropriation ~~(\$200,215,000)~~
\$200,216,000

~~((Toll Facility Bond Retirement Account—State—Appropriation—\$12,009,000~~
~~TOTAL APPROPRIATION—\$212,224,000~~

Sec. 1104. 2016 c 14 s 404 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax distributions to cities and counties ~~(\$497,071,000)~~
\$496,685,000

Sec. 1105. 2016 c 14 s 406 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—TRANSFERS

Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax refunds and statutory transfers ~~(\$1,831,879,000)~~
\$1,856,065,000

Sec. 1106. 2016 c 14 s 407 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING—TRANSFERS

Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax refunds and transfers ~~(\$182,730,000)~~
\$184,758,000

Sec. 1107. 2016 c 14 s 408 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS

- (1) Multimodal Transportation Account—State Appropriation: For transfer to the Puget Sound Ferry Operations Account—State \$10,000,000
- (2) Multimodal Transportation Account—State Appropriation: For transfer to the Puget Sound Capital Construction Account—State \$12,000,000
- (3) State Route Number 520 Civil Penalties Account—State Appropriation: For transfer to the State Route Number 520 Corridor Account—State ~~(\$1,631,000)~~
\$1,630,000
- (4) Highway Safety Account—State Appropriation: For transfer to the State Patrol Highway Account—State \$20,000,000
- (5) Highway Safety Account—State Appropriation: For transfer to the Puget Sound Ferry Operations Account—State \$10,000,000
- (6) Tacoma Narrows Toll Bridge Account—State Appropriation: For transfer to the Motor Vehicle Account—State \$950,000
- (7) Motor Vehicle Account—State Appropriation: For transfer to the Puget Sound Capital Construction Account—State \$18,000,000
- (8) Rural Mobility Grant Program Account—State Appropriation: For transfer to the Multimodal Transportation Account—State \$3,000,000,
- (9) Motor Vehicle Account—State Appropriation: For transfer to the Puget Sound Ferry Operations Account—State \$10,000,000
- (10) State Patrol Highway Account—State Appropriation:

For transfer to the Connecting Washington Account—State
\$9,690,000

(11) Transportation Partnership Account—State
Appropriation: For transfer to the Connecting Washington
Account—State \$4,998,000

(12) Motor Vehicle Account—State Appropriation:
For transfer to the Connecting Washington Account—
State \$25,781,000

(13) Puget Sound Ferry Operations Account—State
Appropriation: For transfer to the Connecting Washington
Account—State \$596,000

(14) Transportation 2003 Account (Nickel Account)—State
Appropriation: For transfer to the Connecting Washington
Account—State \$2,270,000

(15) Highway Safety Account—State Appropriation:
For transfer to the Multimodal Transportation
Account—State \$5,000,000

(16) Motor Vehicle Account—State Appropriation:
For transfer to the Freight Mobility Investment
Account—State \$1,922,000

(17) Motor Vehicle Account—State Appropriation:
For transfer to the Transportation Improvement
Account—State \$2,188,000

(18) Motor Vehicle Account—State Appropriation:
For transfer to the Rural Arterial Trust Account—State
\$1,094,000

(19) Motor Vehicle Account—State Appropriation:
For transfer to the County Arterial Preservation
Account—State \$1,094,000

(20) Multimodal Transportation Account—State
Appropriation: For transfer to the Freight Mobility
Multimodal Account—State \$1,922,000

(21) Multimodal Transportation Account—State
Appropriation: For transfer to the Regional Mobility
Grant Program Account—State \$6,250,000

(22) Multimodal Transportation Account—State
Appropriation: For transfer to the Rural Mobility
Grant Program Account—State \$3,438,000

(23) Multimodal Transportation Account—State
Appropriation: For transfer to the Electric Vehicle
Charging Infrastructure Account—State
\$1,000,000

(24) Capital Vessel Replacement Account—State
Appropriation: For transfer to the Connecting
Washington Account—State (~~(\$59,000,000)~~)
\$58,000,000

(25) Multimodal Transportation Account—State
Appropriation: For transfer to the Connecting
Washington Account—State \$8,000,000

(26) Multimodal Transportation Account—State
Appropriation: For transfer to the Aeronautics
Account—State (~~(\$250,000)~~)
\$550,000

MISCELLANEOUS 2015-2017 FISCAL BIENNIUM

NEW SECTION. Sec. 1201. A new section is added to
2016 c 14 (uncodified) to read as follows:

The appropriations to the department of transportation in
chapter 14, Laws of 2016 and this act must be expended for the
programs and in the amounts specified in this act. However, after
May 1, 2017, unless specifically prohibited, the department may
transfer state appropriations for the 2015-2017 fiscal biennium
among operating programs after approval by the director of the
office of financial management. However, the department shall
not transfer state moneys that are provided solely for a specific
purpose. The department shall not transfer funds, and the director
of the office of financial management shall not approve the

transfer, unless the transfer is consistent with the objective of
conserving, to the maximum extent possible, the expenditure of
state funds and not federal funds. The director of the office of
financial management shall notify the transportation committees
of the legislature in writing no fewer than seven days before
approving any allotment modifications or transfers under this
section. The written notification must include a narrative
explanation and justification of the changes, along with
expenditures and allotments by program and appropriation, both
before and after any allotment modifications or transfers.

MISCELLANEOUS

NEW SECTION. Sec. 1301. 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. 1302. Except for sections 705 and
706 of this act, this act is necessary for the immediate preservation
of the public peace, health, or safety, or support of the state
government and its existing public institutions, and takes effect
immediately.

NEW SECTION. Sec. 1303. Section 705 of this act takes
effect if chapter . . . (Senate Bill No. 5037), Laws of 2017 is
enacted by June 30, 2017.

NEW SECTION. Sec. 1304. Section 706 of 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, 2017."

On page 1, line 1 of the title, after "appropriations;" strike the
remainder of the title and insert "amending RCW 43.19.642,
46.20.745, 46.61.5054, 46.68.030, 46.68.060, 46.68.280,
46.68.290, 46.68.325, 47.29.170, 47.56.403, 47.56.876,
47.60.530, and 81.53.281; amending 2016 c 14 ss 102-104, 201-
223, 301-311, 401-404, and 406-408 (uncodified); adding a new
section to 2016 c 14 (uncodified); creating new sections; making
appropriations and authorizing expenditures for capital
improvements; providing an effective date; providing a
contingent effective date; and declaring an emergency."

And the bill do pass as recommended by the conference
committee.

Signed by Senators King, Hobbs and Sheldon;
Representatives Clibborn, Fey and Orcutt.

MOTION

Senator King moved that the Report of the Conference
Committee on Engrossed Senate Bill No. 5096 be adopted.

Senators King, Hobbs, Liias and Van De Wege spoke in favor
of passage of the motion.

The President declared the question before the Senate to be the
motion by Senator King that the Report of the Conference
Committee on Engrossed Senate Bill No. 5096 be adopted.

The motion by Senator King carried and the Report of the
Conference Committee was adopted by voice vote.

The President declared the question before the Senate to be the
final passage of Engrossed Senate Bill No. 5096, as
recommended by the Conference Committee.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed
Senate Bill No. 5096, as recommended by the Conference
Committee, and the bill passed the Senate by the following vote:
Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

ONE HUNDRED THIRD DAY, APRIL 21, 2017

2017 REGULAR SESSION

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pearson, Pedersen, Ranker, Rivers, Rolfes, Rossi, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Warnick, Wellman, Wilson and Zeiger

SUBSTITUTE HOUSE BILL NO. 1501,
 SUBSTITUTE HOUSE BILL NO. 1543,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1614,
 SUBSTITUTE SENATE BILL NO. 5046,
 ENGROSSED SENATE BILL NO. 5096.

Excused: Senator Hasegawa

MESSAGE FROM THE HOUSE

April 21, 2017

ENGROSSED SENATE BILL NO. 5096, as recommended by the Conference Committee, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MR. PRESIDENT:

The Speaker has signed:

SUBSTITUTE SENATE BILL NO. 5046,
 ENGROSSED SENATE BILL NO. 5096 ,

and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

MOTION

At 6:58 p.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

MOTION

At 7:15 p.m., on motion of Senator Fain, the Senate adjourned until 11:00 o'clock a.m. Sunday, April 23, 2017.

The Senate was called to order at 7:13 p.m. by President Habib.

SIGNED BY THE PRESIDENT

CYRUS HABIB, President of the Senate

Pursuant to Article 2, Section 32 of the State Constitution and Senate Rule 1(5), the President announced the signing of and thereupon did sign in open session:

HUNTER G. GOODMAN, Secretary of the Senate