

ESHB 2878 - CONF REPT
By Conference Committee

1 Strike everything after the enacting clause and insert the
2 following:

3 "2007-09 BIENNIUM

4 GENERAL GOVERNMENT AGENCIES--OPERATING

5 Sec. 101. 2007 c 518 s 101 (uncodified) is amended to read as
6 follows:

7 FOR THE UTILITIES AND TRANSPORTATION COMMISSION

8 Grade Crossing Protective Account--State

9 Appropriation ((~~\$505,000~~))
10 \$504,000

11 Sec. 102. 2007 c 518 s 102 (uncodified) is amended to read as
12 follows:

13 FOR THE OFFICE OF FINANCIAL MANAGEMENT

14 Motor Vehicle Account--State Appropriation ((~~\$3,054,000~~))
15 \$3,577,000

16 State Patrol Highway Account--State Appropriation \$100,000

17 Puget Sound Ferry Operations Account--State

18 Appropriation \$100,000

19 TOTAL APPROPRIATION ((~~\$3,154,000~~))
20 \$3,777,000

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

23 (1) \$2,545,000 of the motor vehicle account--state appropriation is
24 provided solely for the office of regulatory assistance integrated
25 permitting project.

26 (2) \$75,000 of the motor vehicle account--state appropriation is

1 provided solely to address transportation budget and reporting
2 requirements.

3 (3) \$100,000 of the state patrol highway account--state
4 appropriation is provided solely for a study of the most cost-effective
5 means of ensuring that the pension concerns of the members of the
6 Washington state patrol retirement system are adequately and
7 appropriately considered and submitted to the legislature. The office
8 of financial management shall solicit participation and guidance from
9 the senate ways and means committee, the house of representatives
10 appropriations committee, the department of retirement systems, the
11 Washington state patrol troopers association, the Washington state
12 patrol lieutenants association, the Washington state patrol, and the
13 office of the state actuary, and report the study recommendations to
14 the legislature by November 1, 2008.

15 (4) The department shall make a recommendation to the
16 transportation committees of the legislature by December 1, 2008, as to
17 whether Washington state ferries marine employees should be covered
18 under workman's compensation.

19 (5) \$400,000 of the motor vehicle account--state appropriation is
20 provided solely for the continued maintenance and support of the
21 transportation executive information system (TEIS).

22 (6) The office of financial management shall work collaboratively
23 with the house of representatives and senate transportation committees
24 to ensure that future budget proposals reflect criteria for performance
25 excellence and earned value measures, and align with the goals and
26 performance measures contained within the state transportation progress
27 report.

28 **Sec. 103.** 2007 c 518 s 103 (uncodified) is amended to read as
29 follows:

30 **FOR THE MARINE EMPLOYEES COMMISSION**

31 Puget Sound Ferry Operations Account--State	
32 Appropriation	(((\$422,000))
33	\$434,000

34 The appropriation in this section is subject to the following
35 conditions and limitations: A maximum of \$22,000 may be expended to
36 pay the department of personnel for conducting the 2007 salary survey.

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

2 Motor Vehicle Account--State Appropriation ((~~\$1,595,000~~))
3 \$1,195,000

4 The appropriation in this section is subject to the following
5 conditions and limitations:

6 (1) (~~(\$800,000)~~) \$400,000 of the motor vehicle account--state
7 appropriation is provided solely for the continued maintenance and
8 support of the transportation executive information system (TEIS).

9 (2) \$795,000 of the motor vehicle account--state appropriation is
10 provided solely for development of a new transportation capital
11 budgeting system and transition of a copy of the transportation
12 executive information system (TEIS) to LEAP. At a minimum, the new
13 budgeting system development effort must provide comprehensive
14 schematic diagrams of the current and proposed transportation capital
15 budget process, information flows, and data exchanges; common, agreed-
16 upon data definitions and business rules; detailed transportation
17 capital budget data and system requirements; and a strategy for
18 implementation, including associated costs and a timeframe.

19 **TRANSPORTATION AGENCIES--OPERATING**

20 **Sec. 201.** 2007 c 518 s 201 (uncodified) is amended to read as
21 follows:

22 **FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION**

23 Highway Safety Account--State Appropriation ((~~\$2,609,000~~))
24 \$2,605,000

25 Highway Safety Account--Federal Appropriation ((~~\$15,880,000~~))
26 \$15,845,000

27 School Zone Safety Account--State Appropriation ((~~\$3,300,000~~))
28 \$3,376,000

29 TOTAL APPROPRIATION ((~~\$21,789,000~~))
30 \$21,826,000

31 The appropriations in this section are subject to the following
32 conditions and limitations: \$76,000 of the school zone safety
33 account--state appropriation is provided solely for contracting with
34 the office of the superintendent of public instruction (OSPI) to
35 conduct pilot programs in three school districts for road safety
36 education and training for children, in order to teach children safe

1 Transportation Improvement Account--State
 2 Appropriation ((~~\$1,795,000~~))
 3 \$1,780,000
 4 TOTAL APPROPRIATION ((~~\$3,588,000~~))
 5 \$3,558,000

6 **Sec. 204.** 2007 c 518 s 204 (uncodified) is amended to read as
 7 follows:

8 **FOR THE BOARD OF PILOTAGE COMMISSIONERS**
 9 Pilotage Account--State Appropriation ((~~\$1,156,000~~))
 10 \$1,152,000

11 **Sec. 205.** 2007 c 518 s 205 (uncodified) is amended to read as
 12 follows:

13 **FOR THE JOINT TRANSPORTATION COMMITTEE**
 14 Motor Vehicle Account--State Appropriation ((~~\$2,103,000~~))
 15 \$2,513,000
 16 Multimodal Transportation Account--State Appropriation . . . \$550,000
 17 TOTAL APPROPRIATION ((~~\$2,653,000~~))
 18 \$3,063,000

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

21 (1) (~~\$500,000~~) \$750,000 of the motor vehicle account--state
 22 appropriation is for establishing a work group to implement Engrossed
 23 Substitute House Bill No. 2358 (regarding state ferries) and review
 24 other matters relating to Washington state ferries. The cochairs of
 25 the committee shall establish the work group comprising committee
 26 members or their designees, an appointee by the governor, and other
 27 stakeholders as appointed by the cochairs, to assist in the committee's
 28 work. The work group shall report (~~the progress of~~) on its tasks to
 29 the transportation committees of the legislature by December (~~15,~~
 30 ~~2007~~) 2008. The work group is tasked with the following:

31 (a) Implementing the recommendations of Engrossed Substitute House
 32 Bill No. 2358 (regarding state ferries). As directed by Engrossed
 33 Substitute House Bill No. 2358, the committee work group shall
 34 participate in and provide a review of the following:

1 (i) The Washington transportation commission's development and
2 interpretation of a survey of ferry customers;

3 (ii) The department of transportation's analysis and
4 reestablishment of vehicle level of service standards. In
5 reestablishing the standards, consideration must be given to whether
6 boat wait is the appropriate measure;

7 (iii) The department's development of pricing policy proposals. In
8 developing these policies, the policy, in effect on some routes, of
9 collecting fares in only one direction must be evaluated to determine
10 whether one-way fare pricing best serves the ferry system;

11 (iv) The department's development of operational strategies;

12 (v) The department's development of terminal design standards; and

13 (vi) The department's development of a long-range capital plan;

14 (b) Reviewing the following Washington state ferry programs:

15 (i) Ridership demand forecast;

16 (ii) Updated life cycle cost model, as directed by Engrossed
17 Substitute House Bill No. 2358;

18 (iii) Administrative operating costs, nonlabor and nonfuel
19 operating costs, Eagle Harbor maintenance facility program and
20 maintenance costs, administrative and systemwide capital costs, and
21 vessel preservation costs; and

22 (iv) The Washington state ferries' proposed capital cost allocation
23 plan methodology, as described in Engrossed Substitute House Bill No.
24 2358;

25 (c) Making recommendations regarding:

26 (i) The most efficient timing and sizing of future vessel
27 acquisitions beyond those currently authorized by the legislature.
28 Vessel acquisition recommendations must be based on the ridership
29 projections, level of service standards, and operational and pricing
30 strategies reviewed by the committee and must include the impact of
31 those recommendations on the timing and size of terminal capital
32 investments and the state ferries' long range operating and capital
33 finance plans; and

34 (ii) Capital financing strategies for consideration in the 2009
35 legislative session. This work must include confirming the
36 department's estimate of future capital requirements based on a long
37 range capital plan and must include the department's development of a

1 plan for codevelopment and public private partnership opportunities at
2 public ferry terminals; and

3 (d) Evaluate the capital cost allocation plan methodology developed
4 by the department to implement Engrossed Substitute House Bill No.
5 2358.

6 (2) \$250,000 of the motor vehicle account--state appropriation and
7 \$250,000 of the multimodal transportation account--state appropriation
8 are for the continuing implementation of (~~Substitute Senate Bill No.~~
9 ~~5207~~) chapter 514, Laws of 2007.

10 (3) \$300,000 of the multimodal transportation account--state
11 appropriation is for implementing Substitute House Bill No. 1694
12 (coordinated transportation). If Substitute House Bill No. 1694 is not
13 enacted by June 30, 2007, the amount provided in this subsection shall
14 lapse.

15 (4) \$150,000 of the motor vehicle account--state appropriation is
16 for the Puget Sound regional council to conduct a pilot program for
17 multimodal concurrency analysis. This pilot program will analyze total
18 trip needs for a regional growth center based on adopted land use
19 plans, identify the number of trips which can be accommodated by
20 planned roadway, transit service, and nonmotorized investments, and
21 identify gaps for trips that cannot be served and strategies to fill
22 those gaps. The purpose of this pilot is to demonstrate how this type
23 of multimodal concurrency analysis can be used to broaden and
24 strengthen local concurrency programs.

25 **Sec. 206.** 2007 c 518 s 206 (uncodified) is amended to read as
26 follows:

27 **FOR THE TRANSPORTATION COMMISSION**

28 Motor Vehicle Account--State Appropriation	((\$2,276,000))
	<u>\$2,322,000</u>
30 Multimodal Transportation Account--State Appropriation . . .	\$112,000
31 TOTAL APPROPRIATION	((\$2,388,000))
	<u>\$2,434,000</u>

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

35 (1) \$350,000 of the motor vehicle account--state appropriation is
36 provided solely for the commission to conduct a survey of ferry
37 customers as described in Engrossed Substitute House Bill No. 2358.

1 Development and interpretation of the survey must be done with
2 participation of the joint transportation committee work group
3 established in section 205(1) of this act.

4 ~~(2) ((\$100,000 of the motor vehicle account--state appropriation is
5 provided solely for a study to identify and evaluate long term
6 financing alternatives for the Washington state ferry system. The
7 study shall incorporate the findings of the initial survey described in
8 subsection (1) of this section, and shall consider the potential for
9 state, regional, or local financing options. The commission shall
10 submit a draft final report of its findings and recommendations to the
11 transportation committees of the legislature no later than December
12 2008.~~

13 ~~(3))~~ The commission shall conduct a planning grade tolling study
14 that is based on the recommended policies in the commission's
15 comprehensive tolling study submitted September 20, 2006.

16 (3) Pursuant to RCW 43.135.055, during the 2007-09 fiscal biennium,
17 the transportation commission shall establish, periodically review,
18 and, if necessary, modify a schedule of toll charges applicable to the
19 state route 167 high-occupancy toll lane pilot project, as required by
20 RCW 47.56.403.

21 (4) Pursuant to RCW 43.135.055, during the 2007-09 fiscal biennium,
22 the transportation commission shall periodically review, and, if
23 necessary, modify the schedule of toll charges applicable to the Tacoma
24 Narrows bridge, taking into consideration the recommendations of the
25 citizen advisory committee created by RCW 47.46.091.

26 (5) \$205,000 of the motor vehicle account--state appropriation is
27 provided solely for a study of potential revenue sources for the
28 Washington state ferry system. The study must model and assess the
29 revenue generating potentials of feasible alternative funding sources.
30 The revenue forecasting models must be dynamic and ownership of these
31 models must be retained by the commission. The commission shall
32 develop revenue source recommendations that will generate revenue equal
33 to or greater than the funding level identified by the ferries finance
34 study of the joint transportation committee referenced in section 205
35 of this act, and shall report its recommendations to the transportation
36 committees of the legislature by November 15, 2008.

37 (6) The transportation commission shall develop recommendations to
38 reduce and control tolling operations costs. These recommendations

1 shall be presented to the transportation committees of the state
2 legislature by December 1, 2008. To this end, the commission shall
3 generate benchmarks to evaluate program efficiencies. They shall also
4 review and confirm data necessary to evaluate tolling operations. The
5 department of transportation shall cooperate with the commission and
6 provide documents and data to assist with this evaluation.

7 **Sec. 207.** 2007 c 518 s 207 (uncodified) is amended to read as
8 follows:

9 **FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

10 Motor Vehicle Account--State Appropriation (~~(\$695,000)~~)
11 \$691,000

12 The appropriation in this section is subject to the following
13 conditions and limitations:

14 (1) The freight mobility strategic investment board shall, on a
15 quarterly basis, provide status reports to the office of financial
16 management and the transportation committees of the legislature on the
17 delivery of projects funded by this act.

18 (2) The freight mobility strategic investment board and the
19 department of transportation shall collaborate to submit a report to
20 the office of financial management and the transportation committees of
21 the legislature by September 1, 2008, listing proposed freight highway
22 and rail projects. The report must describe the analysis used for
23 selecting such projects, as required by chapter 47.06A RCW for the
24 board and as required by this act for the department. When developing
25 its list of proposed freight highway and rail projects, the freight
26 mobility strategic investment board shall use the priorities identified
27 in section 309(7)(a) of this act to the greatest extent possible.

28 **Sec. 208.** 2007 c 518 s 208 (uncodified) is amended to read as
29 follows:

30 **FOR THE WASHINGTON STATE PATROL--FIELD OPERATIONS BUREAU**

31 State Patrol Highway Account--State
32 Appropriation (~~(\$225,445,000)~~)
33 \$226,924,000

34 State Patrol Highway Account--Federal
35 Appropriation \$10,602,000
36 State Patrol Highway Account--Private/Local

1	Appropriation	\$410,000
2	TOTAL APPROPRIATION	((\$236,457,000))
3		<u>\$237,936,000</u>

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

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

14 (2) In addition to the user fees, the patrol shall transfer into
15 the state patrol nonappropriated airplane revolving account under RCW
16 43.79.470 no more than the amount of appropriated state patrol highway
17 account and general fund funding necessary to cover the costs for the
18 patrol's use of the aircraft. The state patrol highway account and
19 general fund--state funds shall be transferred proportionately in
20 accordance with a cost allocation that differentiates between highway
21 traffic enforcement services and general policing purposes.

22 (3) The patrol shall not account for or record locally provided DUI
23 cost reimbursement payments as expenditure credits to the state patrol
24 highway account. The patrol shall report the amount of expected
25 locally provided DUI cost reimbursements to the governor and
26 transportation committees of the senate and house of representatives by
27 September 30th of each year.

28 (4) \$1,662,000 of the state patrol highway account--state
29 appropriation is provided solely for the implementation of Substitute
30 House Bill No. 1304 (commercial vehicle enforcement). If Substitute
31 House Bill No. 1304 is not enacted by June 30, 2007, the amount
32 provided in this subsection shall lapse.

33 (5) During the (~~fiscal year 2008~~) 2007-2009 biennium, the
34 Washington state patrol shall continue to perform traffic accident
35 investigations on Thurston, Mason, and Lewis county roads(~~(, and shall~~
36 ~~work with the counties to transition the)~~) when requested to do so by
37 the respective county; however, the counties shall conduct traffic

1 accident investigations on county roads (~~to the counties by July 1,~~
2 ~~2008~~) beginning July 1, 2009.

3 (6) \$100,000 of the state patrol highway account--state
4 appropriation is provided solely for the implementation of Substitute
5 House Bill No. 1417 (health benefits for surviving dependents). If
6 Substitute House Bill No. 1417 is not enacted by June 30, 2007, the
7 amount provided in this subsection shall lapse.

8 (7) \$3,300,000 of the state patrol highway account--state
9 appropriation is provided solely for the salaries and benefits
10 associated with accretion in the number of troopers employed above
11 1,158 authorized commissioned troopers, or solely for training new
12 cadets; however, the amount provided in this subsection is contingent
13 on the Washington state patrol submitting a 2009-11 budget request that
14 fully funds field force operations without reliance on a projected
15 vacancy rate. The Washington state patrol shall perform a study with
16 a final report due to the legislative transportation committees by
17 December 1, 2008, on the advantages and disadvantages of staffing the
18 commercial vehicle enforcement section with commissioned officers
19 instead of commercial vehicle enforcement officers.

20 (8) By July 1, 2008, the Washington state patrol shall assign six
21 additional troopers to the Monroe detachment from among troopers
22 requesting transfer to Monroe or graduating cadet classes.

23 **Sec. 209.** 2007 c 518 s 209 (uncodified) is amended to read as
24 follows:

FOR THE WASHINGTON STATE PATROL--INVESTIGATIVE SERVICES BUREAU	
State Patrol Highway Account--State Appropriation . . . ((\$1,300,000))	
	<u>\$1,552,000</u>

28 **Sec. 210.** 2007 c 518 s 210 (uncodified) is amended to read as
29 follows:

FOR THE WASHINGTON STATE PATROL--TECHNICAL SERVICES BUREAU	
State Patrol Highway Account--State Appropriation . . ((\$103,157,000))	
	<u>\$102,726,000</u>
State Patrol Highway Account--Private/Local	
Appropriation	\$2,008,000
TOTAL APPROPRIATION ((\$105,165,000))	
	<u>\$104,734,000</u>

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

3 (1) The Washington state patrol shall work with the risk management
4 division in the office of financial management in compiling the
5 Washington state patrol's data for establishing the agency's risk
6 management insurance premiums to the tort claims account. The office
7 of financial management and the Washington state patrol shall submit a
8 report to the legislative transportation committees by December 31st of
9 each year on the number of claims, estimated claims to be paid, method
10 of calculation, and the adjustment in the premium.

11 (2) (~~(\$12,641,000)~~) \$9,981,000 of the total appropriation is
12 provided solely for automobile fuel in the 2007-2009 biennium.

13 (3) (~~(\$8,678,000)~~) \$7,461,000 of the total appropriation is
14 provided solely for the purchase of pursuit vehicles.

15 (4) (~~(\$5,254,000)~~) \$6,328,000 of the total appropriation is
16 provided solely for vehicle repair and maintenance costs of vehicles
17 used for highway purposes.

18 (5) \$384,000 of the total appropriation is provided solely for the
19 purchase of mission vehicles used for highway purposes in the
20 commercial vehicle and traffic investigation sections of the Washington
21 state patrol.

22 (6) The Washington state patrol may submit information technology
23 related requests for funding only if the patrol has coordinated with
24 the department of information services as required by section 602 of
25 this act.

26 (7) \$630,000 of the total appropriation is provided solely for the
27 ongoing software maintenance and technical support for the digital
28 microwave system. The Washington state patrol shall coordinate with
29 the other members of the Washington state interoperability executive
30 committee to ensure compatibility between emergency communication
31 systems.

32 **Sec. 211.** 2007 c 518 s 212 (uncodified) is amended to read as
33 follows:

34 **FOR THE DEPARTMENT OF LICENSING**

35 Marine Fuel Tax Refund Account--State Appropriation \$32,000

36 Motorcycle Safety Education Account--State

37 Appropriation (~~(\$3,905,000)~~)

1 Canadian border. ~~If Engrossed Substitute House Bill No. 1289 (relating~~
2 ~~to the issuance of enhanced drivers' licenses and identicards) is not~~
3 ~~enacted by June 30, 2007, the amount provided in this subsection shall~~
4 ~~lapse. The department may expend funds only after acceptance of the~~
5 ~~enhanced Washington state driver's license for border crossing purposes~~
6 ~~by the Canadian and United States governments. The department may~~
7 ~~expend funds only after prior written approval of the director of~~
8 ~~financial management)). (b) Of the amount provided in (a) of this~~
9 subsection, up to \$1,000,000 is for a statewide educational campaign,
10 which must include coordination with existing public and private
11 entities, to inform the Washington public of the benefits of the new
12 enhanced drivers' licenses and identicards. Funds may be spent on
13 educational campaigns only after the caseload for enhanced drivers'
14 licenses and identicards falls below levels that can be reasonably
15 processed by the department within the appropriation provided by this
16 subsection. \$300,000 of the \$1,000,000 is for the department to
17 partner with cross-border tourism businesses to create an educational
18 campaign.

19 (c) Of the amount provided in (a) of this subsection, \$10,722,000
20 is provided solely for costs associated with providing enhanced
21 driver's license processing at 14 licensing services offices.

22 (d) Of the amount provided in (a) of this subsection, \$700,000 is
23 provided solely for costs associated with extending hours beyond
24 current regular business hours at the 14 licensing service offices that
25 provide enhanced driver's license processing services.

26 (4) \$91,000 of the motor vehicle account--state appropriation and
27 \$152,000 of the highway safety account--state appropriation are
28 provided solely for contracting with the office of the attorney general
29 to investigate criminal activity uncovered in the course of the
30 agency's licensing and regulatory activities. Funding is provided for
31 the 2008 fiscal year. The department may request funding for the 2009
32 fiscal year if the request is submitted with measurable data indicating
33 the department's progress in meeting its goal of increased prosecution
34 of illegal activity.

35 (5) \$350,000 of the highway safety account--state appropriation is
36 provided solely for the costs associated with the systems development
37 of the interface that will allow insurance carriers and their agents

1 real time, online access to drivers' records. If Substitute Senate
2 Bill No. 5937 is not enacted by June 30, 2007, the amount provided in
3 this subsection shall lapse.

4 (6) \$1,145,000 of the state patrol highway account--state
5 appropriation is provided solely for the implementation of Substitute
6 House Bill No. 1304 (modifying commercial motor vehicle carrier
7 provisions). If Substitute House Bill No. 1304 is not enacted by June
8 30, 2007, the amount provided in this subsection shall lapse.

9 (7) The department may submit information technology related
10 requests for funding only if the department has coordinated with the
11 department of information services as required by section 602 of this
12 act.

13 (8) ~~((Within the amounts appropriated in this section, the~~
14 ~~department shall, working with the legislature, develop a proposal to))~~
15 \$116,000 of the motor vehicle account--state appropriation is provided
16 solely for the department to prepare draft legislation that streamlines
17 title and registration statutes to specifically address apparent
18 conflicts, fee distribution, and other ((recommendations by the
19 department)) relevant issues that are revenue neutral and which do not
20 change legislative policy. The department shall ((report the results
21 of this review to the transportation committees of the legislature by
22 December 1, 2007)) submit the draft legislation to the transportation
23 committees of the legislature by the end of the biennium.

24 (9) \$246,000 of the department of licensing services account--state
25 appropriation is provided solely for the implementation of Substitute
26 House Bill No. 3029 (secure vehicle licensing system). If Substitute
27 House Bill No. 3029 is not enacted by June 30, 2008, the amount
28 provided in this subsection shall lapse.

29 (10) \$200,000 of the highway safety account--state appropriation is
30 provided solely for the implementation of Senate Bill No. 6885 (driving
31 record abstracts). If Senate Bill No. 6885 is not enacted by June 30,
32 2008, the amount provided in this subsection shall lapse.

33 (11) \$417,000 of the highway safety account--state appropriation is
34 provided solely for the implementation of Engrossed Second Substitute
35 House Bill No. 3254 (ignition interlock drivers' license). If
36 Engrossed Second Substitute House Bill No. 3254 is not enacted by June
37 30, 2008, the amount provided in this subsection shall lapse.

1 at the public, the tolling contractor, or the department. Incentives
2 to be considered should include, but not be limited to: Incentives to
3 return unneeded transponders, incentives to close inactive accounts,
4 incentives to reduce printed account statements, incentives to reduce
5 labor costs, and incentives to reduce postage and shipping costs.
6 These incentives shall be presented for review by the transportation
7 commission by September 30, 2008.

8 **Sec. 213.** 2007 c 518 s 214 (uncodified) is amended to read as
9 follows:

10 **FOR THE DEPARTMENT OF TRANSPORTATION--INFORMATION TECHNOLOGY--PROGRAM**
11 **C**

12	Transportation Partnership Account--State	
13	Appropriation	((\$4,556,000))
14		<u>\$5,892,000</u>
15	Motor Vehicle Account--State Appropriation	((\$67,613,000))
16		<u>\$67,710,000</u>
17	Motor Vehicle Account--Federal Appropriation	\$1,096,000
18	Puget Sound Ferry Operations Account--State	
19	Appropriation	((\$9,192,000))
20		<u>\$9,143,000</u>
21	Multimodal Transportation Account--State	
22	Appropriation	\$363,000
23	Transportation 2003 Account (Nickel Account)--State	
24	Appropriation	((\$4,000,000))
25		<u>\$5,337,000</u>
26	TOTAL APPROPRIATION	((\$86,820,000))
27		<u>\$89,541,000</u>

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

- 30 (1) The department shall consult with the office of financial
31 management and the department of information services to ensure that
32 (a) the department's current and future system development is
33 consistent with the overall direction of other key state systems; and
34 (b) when possible, use or develop common statewide information systems
35 to encourage coordination and integration of information used by the
36 department and other state agencies and to avoid duplication.

1 (2) The department shall provide updated information on six project
2 milestones for all active projects, funded in part or in whole with
3 2005 transportation partnership account funds or 2003 nickel account
4 funds, on a quarterly basis in the transportation executive information
5 system (TEIS). The department shall also provide updated information
6 on six project milestones for projects, funded with preexisting funds
7 and that are agreed to by the legislature, office of financial
8 management, and the department, on a quarterly basis in TEIS.

9 (3) (~~(\$2,300,000)~~) \$3,300,000 of the motor vehicle account--state
10 appropriation is provided solely for preliminary work needed to
11 transition the department to the state government network. In
12 collaboration with the department of information services the
13 department shall complete an inventory of the current network
14 infrastructure, (~~and~~) develop an implementation plan for transition
15 to the state government network, improve security, and initiate
16 connection to the state government network.

17 (4) \$1,000,000 of the motor vehicle account--state appropriation,
18 (~~(\$4,556,000)~~) \$5,892,000 of the transportation partnership account--
19 state appropriation, and (~~(\$4,000,000)~~) \$5,337,000 of the
20 transportation 2003 account (nickel account)--state appropriation are
21 provided solely for the department to develop a project management and
22 reporting system which is a collection of integrated tools for capital
23 construction project managers to use to perform all the necessary tasks
24 associated with project management. The department shall integrate
25 commercial off-the-shelf software with existing department systems and
26 enhanced approaches to data management to provide web-based access for
27 multi-level reporting and improved business workflows and reporting.
28 Beginning September 1, 2007, and on a quarterly basis thereafter, the
29 department shall report to the office of financial management and the
30 transportation committees of the legislature on the status of the
31 development and integration of the system. The first report shall
32 include a detailed work plan for the development and integration of the
33 system including timelines and budget milestones. At a minimum the
34 ensuing reports shall indicate the status of the work as it compares to
35 the work plan, any discrepancies, and proposed adjustments necessary to
36 bring the project back on schedule or budget if necessary.

37 (5) The department may submit information technology related

1 requests for funding only if the department has coordinated with the
2 department of information services as required by section 602 of this
3 act.

4 (6) \$1,600,000 of the motor vehicle account--state appropriation is
5 provided solely for the critical application assessment implementation
6 project. The department shall submit a progress report on the critical
7 application assessment implementation project to the house of
8 representatives and senate transportation committees on or before
9 December 1, 2007, and December 1, 2008, with a final report on or
10 before June 30, 2009.

11 **Sec. 214.** 2007 c 518 s 215 (uncodified) is amended to read as
12 follows:

13 **FOR THE DEPARTMENT OF TRANSPORTATION--FACILITY MAINTENANCE, OPERATIONS**
14 **AND CONSTRUCTION--PROGRAM D--OPERATING**
15 Motor Vehicle Account--State Appropriation (~~(\$34,569,000)~~)
16 \$33,982,000

17 **Sec. 215.** 2007 c 518 s 216 (uncodified) is amended to read as
18 follows:

19 **FOR THE DEPARTMENT OF TRANSPORTATION--AVIATION--PROGRAM F**
20 Aeronautics Account--State Appropriation (~~(\$6,889,000)~~)
21 \$7,866,000
22 Aeronautics Account--Federal Appropriation \$2,150,000
23 Multimodal Transportation Account--State Appropriation . . . \$631,000
24 TOTAL APPROPRIATION (~~(\$9,670,000)~~)
25 \$10,647,000

26 The appropriations in this section are subject to the following
27 conditions and limitations: The entire multimodal transportation
28 account--state appropriation (~~is~~) and \$400,000 of the aeronautics
29 account--state appropriation are provided solely for the aviation
30 planning council as provided for in RCW 47.68.410.

31 **Sec. 216.** 2007 c 518 s 217 (uncodified) is amended to read as
32 follows:

33 **FOR THE DEPARTMENT OF TRANSPORTATION--PROGRAM DELIVERY MANAGEMENT AND**
34 **SUPPORT--PROGRAM H**
35 Transportation Partnership Account--State

1 transparent manner; and criteria and process for transfers of funds
2 among projects.

3 **Sec. 217.** 2007 c 518 s 218 (uncodified) is amended to read as
4 follows:

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

7	Motor Vehicle Account--State Appropriation	((\$1,151,000))
8		<u>\$991,000</u>
9	Multimodal Transportation Account--State Appropriation . . .	\$300,000
10	TOTAL APPROPRIATION	((\$1,451,000))
11		<u>\$1,291,000</u>

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

14 (1) \$300,000 of the multimodal account--state appropriation is
15 provided solely for the department to hire a consultant to develop a
16 plan for codevelopment and public-private partnership opportunities at
17 public ferry terminals.

18 (2) The department shall conduct an analysis and, if determined to
19 be feasible, initiate requests for proposals involving the distribution
20 of alternative fuels along state department of transportation
21 rights-of-way.

22 **Sec. 218.** 2007 c 518 s 219 (uncodified) is amended to read as
23 follows:

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

25	Motor Vehicle Account--State Appropriation	((\$321,888,000))
26		<u>\$331,342,000</u>
27	Motor Vehicle Account--Federal Appropriation	((\$2,000,000))
28		<u>\$5,000,000</u>
29	Motor Vehicle Account--Private/Local Appropriation	\$5,797,000
30	TOTAL APPROPRIATION	((\$329,685,000))
31		<u>\$342,139,000</u>

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

34 (1) If portions of the appropriations in this section are required
35 to fund maintenance work resulting from major disasters not covered by

1 federal emergency funds such as fire, flooding, and major slides,
2 supplemental appropriations must be requested to restore state funding
3 for ongoing maintenance activities.

4 (2) The department shall request an unanticipated receipt for any
5 federal moneys received for emergency snow and ice removal and shall
6 place an equal amount of the motor vehicle account--state into
7 unallotted status. This exchange shall not affect the amount of
8 funding available for snow and ice removal.

9 (3) The department shall request an unanticipated receipt for any
10 private or local funds received for reimbursements of third party
11 damages that are in excess of the motor vehicle account--private/local
12 appropriation.

13 (4) (~~(\$1,500,000)~~) \$5,000,000 of the motor vehicle account--federal
14 appropriation is provided for unanticipated federal funds that may be
15 received during the 2007-09 biennium. Upon receipt of the funds, the
16 department shall provide a report on the use of the funds to the
17 transportation committees of the legislature and the office of
18 financial management.

19 (5) Funding is provided for maintenance on the state system to
20 deliver service level targets as listed in LEAP Transportation Document
21 2007-C, as developed April 20, 2007. In delivering the program and
22 aiming for these targets, the department should concentrate on the
23 following areas:

24 (a) Eliminating the number of activities delivered in the "f" level
25 of service at the region level; and

26 (b) Evaluating, analyzing, and potentially redistributing resources
27 within and among regions to provide greater consistency in delivering
28 the program statewide and in achieving overall level of service
29 targets.

30 (6) The department may work with the department of corrections to
31 utilize corrections crews for the purposes of litter pickup on state
32 highways.

33 (7) \$650,000 of the motor vehicle account--state appropriation is
34 provided solely for increased asphalt costs.

35 (8) The department shall prepare a comprehensive listing of
36 maintenance backlogs and related costs and report to the office of
37 financial management and the transportation committees of the
38 legislature by December 31, 2008.

1 based on information from automated traffic safety cameras in roadway
2 construction zones on state highways when workers are present.

3 (a) In order to ensure adequate time in the 2007-09 biennium to
4 evaluate the effectiveness of the pilot program, any projects
5 authorized by the department must be authorized by December 31, 2007.

6 (b) The department shall use the following guidelines to administer
7 the program:

8 (i) Automated traffic safety cameras may only take pictures of the
9 vehicle and vehicle license plate and only while an infraction is
10 occurring. The picture must not reveal the face of the driver or of
11 passengers in the vehicle;

12 (ii) The department shall plainly mark the locations where the
13 automated traffic safety cameras are used by placing signs on locations
14 that clearly indicate to a driver that he or she is entering a roadway
15 construction zone where traffic laws are enforced by an automated
16 traffic safety camera;

17 (iii) Notices of infractions must be mailed to the registered owner
18 of a vehicle within fourteen days of the infraction occurring;

19 (iv) The owner of the vehicle is not responsible for the violation
20 if the owner of the vehicle, within fourteen days of receiving
21 notification of the violation, mails to the patrol, a declaration under
22 penalty of perjury, stating that the vehicle involved was, at the time,
23 stolen or in the care, custody, or control of some person other than
24 the registered owner, or any other extenuating circumstances;

25 (v) For purposes of the 2007-09 biennium pilot project, infractions
26 detected through the use of automated traffic safety cameras are not
27 part of the registered owner's driving record under RCW 46.52.101 and
28 46.52.120. Additionally, infractions generated by the use of automated
29 traffic safety cameras must be processed in the same manner as parking
30 infractions for the purposes of RCW 3.46.120, 3.50.100, 35.20.220,
31 46.16.216, and 46.20.270(3). However, the amount of the fine issued
32 for an infraction generated through the use of an automated traffic
33 safety camera is one hundred thirty-seven dollars. The court shall
34 remit thirty-two dollars of the fine to the state treasurer for deposit
35 into the state patrol highway account;

36 (vi) If a notice of infraction is sent to the registered owner and
37 the registered owner is a rental car business, the infraction will be
38 dismissed against the business if it mails to the patrol, within

1 fourteen days of receiving the notice, a declaration under penalty of
2 perjury of the name and known mailing address of the individual driving
3 or renting the vehicle when the infraction occurred. If the business
4 is unable to determine who was driving or renting the vehicle at the
5 time the infraction occurred, the business must sign a declaration
6 under penalty of perjury to this effect. The declaration must be
7 mailed to the patrol within fourteen days of receiving the notice of
8 traffic infraction. Timely mailing of this declaration to the issuing
9 agency relieves a rental car business of any liability under this
10 section for the notice of infraction. A declaration form suitable for
11 this purpose must be included with each automated traffic infraction
12 notice issued, along with instructions for its completion and use; and

13 (vii) By June 30, 2009, the department shall provide a report to
14 the legislature regarding the use, public acceptance, outcomes, and
15 other relevant issues regarding the pilot project.

16 (5) The traffic signal operations along 164th Street SE at the
17 intersections of Mill Creek Boulevard and SR 527 should be optimized to
18 minimize vehicle delay on both corridors based on traffic volumes and
19 not only on functional classification or designation.

20 **Sec. 220.** 2007 c 518 s 221 (uncodified) is amended to read as
21 follows:

22 **FOR THE DEPARTMENT OF TRANSPORTATION--TRANSPORTATION MANAGEMENT AND**
23 **SUPPORT--PROGRAM S**

24	Motor Vehicle Account--State Appropriation	((\$28,215,000))
25		<u>\$27,363,000</u>
26	Motor Vehicle Account--Federal Appropriation	\$30,000
27	Puget Sound Ferry Operations Account--State	
28	Appropriation	\$1,321,000
29	Multimodal Transportation Account--State	
30	Appropriation	\$1,223,000
31	TOTAL APPROPRIATION	((\$30,789,000))
32		<u>\$29,937,000</u>

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

35 (1) The department shall work with staffs from the legislative
36 evaluation and accountability program committee, the transportation

1 committees of the legislature, and the office of financial management
2 on developing a new capital budgeting system to meet identified
3 information needs.

4 (2) \$250,000 of the multimodal account--state appropriation is
5 provided solely for implementing a wounded combat veteran's internship
6 program, administered by the department. The department shall seek
7 federal funding to support the continuation of this program.

8 **Sec. 221.** 2007 c 518 s 222 (uncodified) is amended to read as
9 follows:

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

12	Motor Vehicle Account--State Appropriation	((\$30,698,000)
13		<u>\$27,757,000</u>
14	Motor Vehicle Account--Federal Appropriation	\$19,163,000
15	Multimodal Transportation Account--State	
16	Appropriation	((\$1,029,000)
17		<u>\$1,760,000</u>
18	Multimodal Transportation Account--Federal	
19	Appropriation	\$2,809,000
20	Multimodal Transportation Account--Private/Local	
21	Appropriation	\$100,000
22	TOTAL APPROPRIATION	((\$53,799,000)
23		<u>\$51,589,000</u>

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

26 ~~(1) ((\$3,900,000 of the motor vehicle account--state appropriation~~
27 ~~is provided solely for the costs of the regional transportation~~
28 ~~investment district (RTID) and department of transportation project~~
29 ~~oversight. The department shall provide support from its urban~~
30 ~~corridors region to assist in preparing project costs, expenditure~~
31 ~~plans, and modeling. The department shall not deduct a management~~
32 ~~reserve, nor charge management or overhead fees. These funds,~~
33 ~~including those expended since 2003, are provided as a loan to the RTID~~
34 ~~and shall be repaid to the state within one year following formation of~~
35 ~~the RTID. \$2,391,000 of the amount provided under this subsection~~
36 ~~shall lapse, effective January 1, 2008, if voters fail to approve~~
37 ~~formation of the RTID at the 2007 general election, as determined by~~

1 ~~the certification of the election results.))~~ \$1,559,000 of the motor
2 vehicle account--state appropriation is provided solely for costs
3 incurred for the 2007 regional transportation investment district
4 election.

5 (2) (~~(\$300,000)~~) \$800,000 of the multimodal transportation
6 account--state appropriation is provided solely for a transportation
7 demand management program, developed by the Whatcom council of
8 governments, to further reduce drive-alone trips and maximize the use
9 of sustainable transportation choices. The community-based program
10 must focus on all trips, not only commute trips, by providing
11 education, assistance, and incentives to four target audiences: (a)
12 Large work sites; (b) employees of businesses in downtown areas; (c)
13 school children; and (d) residents of Bellingham.

14 (3) \$320,000 of the motor vehicle account--state appropriation and
15 \$128,000 of the motor vehicle account--federal appropriation are
16 provided solely for development of a freight database to help guide
17 freight investment decisions and track project effectiveness. The
18 database will be based on truck movement tracked through geographic
19 information system technology. TransNow will contribute an additional
20 \$192,000 in federal funds which are not appropriated in the
21 transportation budget. The department shall work with the freight
22 mobility strategic investment board to implement this project.

23 (4) By December 1, 2008, the department shall require confirmation
24 from jurisdictions that plan under the growth management act, chapter
25 36.70A RCW, and that receive state transportation funding under this
26 act, that the jurisdictions have adopted standards for access
27 permitting on state highways that meet or exceed department standards
28 in accordance with RCW 47.50.030. The objective of this subsection is
29 to encourage local governments, through the receipt of state
30 transportation funding, to adhere to best practices in access control
31 applicable to development activity significantly impacting state
32 transportation facilities. By January 1, 2009, the department shall
33 submit a report to the appropriate committees of the legislature
34 detailing the progress of the local jurisdictions in adopting the
35 highway access permitting standards.

36 (5) \$150,000 of the motor vehicle account--federal appropriation is
37 provided solely for the costs to develop an electronic map-based

1 computer application that will enable law enforcement officers and
2 others to more easily locate collisions and other incidents in the
3 field.

4 (6) The department shall add a position within the freight systems
5 division to provide expertise regarding the trucking aspects of the
6 state's freight system.

7 (7) The department shall evaluate the feasibility of developing a
8 freight corridor bypass from Everett to Gold Bar on US 2, including a
9 connection to SR 522. US 2 is an important freight corridor, and is an
10 alternative route for I-90. Congestion, safety issues, and flooding
11 concerns have all contributed to the need for major improvements to the
12 corridor. The evaluation shall consider the use of toll lanes for the
13 project. The department must report to the transportation committees
14 of the legislature by December 1, 2007, on its analysis and
15 recommendations regarding the benefit of a freight corridor and the
16 potential use of freight toll lanes to improve safety and congestion in
17 the corridor.

18 (8) The department shall work with the department of ecology, the
19 county road administration board, and the transportation improvement
20 board to develop model procedures and municipal and state rules in
21 regard to maximizing the use of recycled asphalt on road construction
22 and preservation projects. The department shall report to the joint
23 transportation committee by December 1, 2008, with recommendations on
24 increasing the use of recycled asphalt at the state and local level.

25 (9) \$140,000 of the multimodal transportation account--state
26 appropriation is provided solely for a full-time employee to develop
27 vehicle miles traveled and other greenhouse gas emissions benchmarks as
28 described in Engrossed Second Substitute House Bill No. 2815. If
29 Engrossed Second Substitute House Bill No. 2815 is not enacted by June
30 30, 2008, the amount provided in this subsection shall lapse.

31 (10) \$80,000 of the motor vehicle account--state appropriation is
32 provided solely to study the feasibility of a new interchange on
33 interstate 5 between the city of Rochester and Harrison Avenue.

34 (11) \$100,000 of the multimodal transportation account--state
35 appropriation is provided solely to support the commuter rail study
36 between eastern Snohomish county and eastern King county as defined in
37 Substitute House Bill No. 3224. Funds are provided to the Puget Sound

1 regional council for one time only. If Substitute House Bill No. 3224
2 is not enacted by June 30, 2008, the amount provided in this subsection
3 shall lapse.

4 **Sec. 222.** 2007 c 518 s 223 (uncodified) is amended to read as
5 follows:

6 **FOR THE DEPARTMENT OF TRANSPORTATION--CHARGES FROM OTHER AGENCIES--**
7 **PROGRAM U**

8	Motor Vehicle Account--State Appropriation	((\$66,342,000))
9		<u>\$66,102,000</u>
10	Motor Vehicle Account--Federal Appropriation	\$400,000
11	Multimodal Transportation Account--State	
12	Appropriation	\$259,000
13	TOTAL APPROPRIATION	((\$67,001,000))
14		<u>\$66,761,000</u>

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

17 (1) \$36,665,000 of the motor vehicle fund--state appropriation is
18 provided solely for the liabilities attributable to the department of
19 transportation. The office of financial management must provide a
20 detailed accounting of the revenues and expenditures of the self-
21 insurance fund to the transportation committees of the legislature on
22 December 31st and June 30th of each year.

23 (2) Payments in this section represent charges from other state
24 agencies to the department of transportation.

25 (a) FOR PAYMENT OF OFFICE OF FINANCIAL MANAGEMENT
26 DIVISION OF RISK MANAGEMENT FEES \$1,520,000

27 (b) FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE
28 AUDITOR ((~~\$1,150,000~~))
29 \$1,153,000

30 (c) FOR PAYMENT OF COSTS OF DEPARTMENT OF GENERAL
31 ADMINISTRATION FACILITIES AND SERVICES AND CONSOLIDATED
32 MAIL SERVICES ((~~\$4,157,000~~))
33 \$4,859,000

34 (d) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF
35 PERSONNEL ((~~\$4,033,000~~))
36 \$7,593,000

37 (e) FOR PAYMENT OF SELF-INSURANCE LIABILITY

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

3 (1) \$25,000,000 of the multimodal transportation account--state
4 appropriation is provided solely for a grant program for special needs
5 transportation provided by transit agencies and nonprofit providers of
6 transportation.

7 (a) \$5,500,000 of the amount provided in this subsection is
8 provided solely for grants to nonprofit providers of special needs
9 transportation. Grants for nonprofit providers shall be based on need,
10 including the availability of other providers of service in the area,
11 efforts to coordinate trips among providers and riders, and the cost
12 effectiveness of trips provided.

13 (b) \$19,500,000 of the amount provided in this subsection is
14 provided solely for grants to transit agencies to transport persons
15 with special transportation needs. To receive a grant, the transit
16 agency must have a maintenance of effort for special needs
17 transportation that is no less than the previous year's maintenance of
18 effort for special needs transportation. Grants for transit agencies
19 shall be prorated based on the amount expended for demand response
20 service and route deviated service in calendar year 2005 as reported in
21 the "Summary of Public Transportation - 2005" published by the
22 department of transportation. No transit agency may receive more than
23 thirty percent of these distributions.

24 (2) Funds are provided for the rural mobility grant program as
25 follows:

26 (a) \$8,500,000 of the multimodal transportation account--state
27 appropriation is provided solely for grants for those transit systems
28 serving small cities and rural areas as identified in the Summary of
29 Public Transportation - 2005 published by the department of
30 transportation. Noncompetitive grants must be distributed to the
31 transit systems serving small cities and rural areas in a manner
32 similar to past disparity equalization programs.

33 (b) \$8,500,000 of the multimodal transportation account--state
34 appropriation is provided solely to providers of rural mobility service
35 in areas not served or underserved by transit agencies through a
36 competitive grant process.

37 (3) \$8,600,000 of the multimodal transportation account--state
38 appropriation is provided solely for a vanpool grant program for: (a)

1 Public transit agencies to add vanpools; and (b) incentives for
2 employers to increase employee vanpool use. The grant program for
3 public transit agencies will cover capital costs only; no operating
4 costs for public transit agencies are eligible for funding under this
5 grant program. No additional employees may be hired from the funds
6 provided in this section for the vanpool grant program, and supplanting
7 of transit funds currently funding vanpools is not allowed. Additional
8 criteria for selecting grants must include leveraging funds other than
9 state funds.

10 (4) \$40,000,000 of the regional mobility grant program account--
11 state appropriation is provided solely for the regional mobility grant
12 projects identified on the LEAP Transportation Document 2007-B as
13 developed April 20, 2007. The department shall review all projects
14 receiving grant awards under this program at least semiannually to
15 determine whether the projects are making satisfactory progress. Any
16 project that has been awarded funds, but does not report activity on
17 the project within one year of the grant award, shall be reviewed by
18 the department to determine whether the grant should be terminated.
19 The department shall promptly close out grants when projects have been
20 completed, and any remaining funds available to the office of transit
21 mobility shall be used only to fund projects on the LEAP Transportation
22 Document 2007-B as developed April 20, 2007. The department shall
23 provide annual status reports on December 15, 2007, and December 15,
24 2008, to the office of financial management and the transportation
25 committees of the legislature regarding the projects receiving the
26 grants.

27 (5) \$17,168,087 of the multimodal transportation account--state
28 appropriation is reappropriated and provided solely for the regional
29 mobility grant projects identified on the LEAP Transportation Document
30 2006-D, regional mobility grant program projects as developed March 8,
31 2006. The department shall continue to review all projects receiving
32 grant awards under this program at least semiannually to determine
33 whether the projects are making satisfactory progress. The department
34 shall promptly close out grants when projects have been completed, and
35 any remaining funds available to the office of transit mobility shall
36 be used only to fund projects on the LEAP Transportation Document
37 2007-B as developed April 20, 2007, or the LEAP Transportation Document
38 2006-D as developed March 8, 2006.

1 (6) \$200,000 of the multimodal transportation account--state
2 appropriation is provided solely for the department to study and then
3 develop pilot programs aimed at addressing commute trip reduction
4 strategies for K-12 students and for college and university students.
5 The department shall submit to the legislature by January 1, 2009, a
6 summary of the program results and recommendations for future student
7 commute trip reduction strategies. The pilot programs are described as
8 follows:

9 (a) The department shall consider approaches, including mobility
10 education, to reducing and removing traffic congestion in front of
11 schools by changing travel behavior for elementary, middle, and high
12 school students and their parents; and

13 (b) The department shall design a program that includes student
14 employment options as part of the pilot program applicable to college
15 and university students.

16 (7) \$2,400,000 of the multimodal account--state appropriation is
17 provided solely for establishing growth and transportation efficiency
18 centers (GTEC). Funds are appropriated for one time only. The
19 department shall provide in its annual report to the legislature an
20 evaluation of the GTEC concept and recommendations on future funding
21 levels.

22 (8) \$381,000 of the multimodal transportation account--state
23 appropriation is provided solely for the implementation of Substitute
24 House Bill No. 1694 (reauthorizing the agency council on coordinated
25 transportation). If Substitute House Bill No. 1694 is not enacted by
26 June 30, 2007, the amount provided in this subsection shall lapse.

27 (9) (~~(\$136,000)~~) \$504,000 of the multimodal transportation
28 account--private/local appropriation is provided solely for the
29 implementation of Senate Bill No. 5084 (updating rail transit safety
30 plans). If Senate Bill No. 5084 is not enacted by June 30, 2007, the
31 amount provided in this subsection shall lapse.

32 (10) \$60,000 of the multimodal transportation account--state
33 appropriation is provided solely for low-income car ownership programs.
34 The department shall collaborate with interested regional
35 transportation planning organizations and metropolitan planning
36 organizations to determine the effectiveness of the programs at
37 providing transportation solutions for low-income persons who depend
38 upon cars to travel to their places of employment.

1 (11) \$1,000,000 of the multimodal transportation account--state
2 appropriation is provided solely for additional funding for the trip
3 reduction performance program, including telework enhancement projects.
4 Funds are appropriated for one time only.

5 (12) (~~(\$2,000,000)~~) \$2,309,000 of the multimodal transportation
6 account--state appropriation is provided solely for the tri-county
7 connection service for Island, Skagit, and Whatcom transit agencies.

8 (13) \$150,000 of the multimodal transportation account--state
9 appropriation is provided solely as a grant for a telework pilot
10 project to be developed, administered, and monitored by the Kitsap
11 regional coordinating council. Funds are appropriated for one time
12 only. The primary purposes of the pilot project are to educate
13 employers about telecommuting, develop telework policies and resources
14 for employers, and reduce traffic congestion by encouraging teleworking
15 in the workplace. As part of the pilot project, the council shall
16 recruit public and private sector employer participants throughout the
17 county, identify telework sites, develop an employer's toolkit
18 consisting of teleworking resources, and create a telecommuting
19 template that may be applied in other communities. The council shall
20 submit to the legislature by July 1, 2009, a summary of the program
21 results and any recommendations for future telework strategies.

22 **Sec. 224.** 2007 c 518 s 225 (uncodified) is amended to read as
23 follows:

24 **FOR THE DEPARTMENT OF TRANSPORTATION--MARINE--PROGRAM X**

25	Puget Sound Ferry Operations Account--State	
26	Appropriation	((\$412,189,000))
27		<u>\$426,761,000</u>
28	Multimodal Transportation Account--State	
29	Appropriation	((\$1,830,000))
30		<u>\$1,914,000</u>
31	TOTAL APPROPRIATION	((\$414,019,000))
32		<u>\$428,675,000</u>

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

35 (1) (~~(\$79,191,000)~~) \$90,299,000 of the Puget Sound ferry
36 operations--state appropriation is provided solely for auto ferry
37 vessel operating fuel in the 2007-2009 biennium.

1 (2) The Washington state ferries must work with the department's
2 information technology division to implement an electronic fare system,
3 including the integration of the regional fare coordination system
4 (smart card). Each December and June, semiannual updates must be
5 provided to the transportation committees of the legislature concerning
6 the status of implementing and completing this project, with updates
7 concluding the first December after full project implementation.

8 (3) The Washington state ferries shall continue to provide service
9 to Sidney, British Columbia.

10 (4) (~~(\$1,830,000)~~) \$1,914,000 of the multimodal transportation
11 account--state appropriation is provided solely to provide
12 passenger-only ferry service. The ferry system shall continue
13 passenger-only ferry service from Vashon Island to Seattle through June
14 30, 2008. Ferry system management shall continue to implement its
15 agreement with the inlandboatmen's union of the pacific and the
16 international organization of masters, mates and pilots providing for
17 part-time passenger-only work schedules.

18 (5) \$932,000 of the Puget Sound ferries operations account--state
19 appropriation is provided solely for compliance with department of
20 ecology rules regarding the transfer of oil on or near state waters.
21 Funding for compliance with on-board fueling rules is provided for the
22 2008 fiscal year. The department may request funding for the 2009
23 fiscal year if the request is submitted with an alternative compliance
24 plan filed with the department of ecology, as allowed by rule.

25 (6) \$1,116,000 of the Puget Sound ferry operations account--state
26 appropriation is provided solely for ferry security operations
27 necessary to comply with the ferry security plan submitted by the
28 Washington state ferry system to the United States coast guard. The
29 department shall track security costs and expenditures. Ferry security
30 operations costs shall not be included as part of the operational costs
31 that are used to calculate farebox recovery.

32 (7) \$378,000 of the Puget Sound ferry operations account--state
33 appropriation is provided solely to meet the United States coast guard
34 requirements for appropriate rest hours between shifts for vessel crews
35 on the Bainbridge to Seattle and Edmonds to Kingston ferry routes.

36 (8) \$694,000 of the Puget Sound ferries operating account--state
37 appropriation is provided solely for implementing Engrossed Substitute
38 House Bill No. 2358 as follows:

1 (a) The department shall allow the joint transportation committee
2 work group established in section 205(1) of this act to participate in
3 the following elements as they are described in Engrossed Substitute
4 House Bill No. 2358:

5 (i) Development and implementation of a survey of ferry customers;

6 (ii) Analysis and reestablishment of vehicle level of service
7 standards. In reestablishing the standards, consideration shall be
8 given to whether boat wait is the appropriate measure. The level of
9 service standard shall be reestablished in conjunction with or after
10 the survey has been implemented;

11 (iii) Development of pricing policy proposals. In developing these
12 policies, the policies, in effect on some routes, of collecting fares
13 in only one direction shall be evaluated to determine whether one-way
14 fare pricing best serves the ferry system. The pricing policy
15 proposals must be developed in conjunction with or after the survey has
16 been implemented;

17 (iv) Development of operational strategies. The operational
18 strategies shall be reestablished in conjunction with the survey or
19 after the survey has been implemented;

20 (v) Development of terminal design standards. The terminal design
21 standards shall be finalized after the provisions of subsections (a)(i)
22 through (iv) and subsection (b) of this section have been developed and
23 reviewed by the joint transportation committee; and

24 (vi) Development of a capital plan. The capital plan shall be
25 finalized after terminal design standards have been developed by the
26 department and reviewed by the joint transportation committee.

27 (b) The department shall develop a ridership demand forecast that
28 shall be used in the development of a long-range capital plan. If more
29 than one forecast is developed they must be reconciled.

30 (c) The department shall update the life cycle cost model to meet
31 the requirements of Engrossed Substitute House Bill No. 2358 no later
32 than August 1, 2007.

33 (d) The department shall develop a cost allocation methodology
34 proposal to meet the requirements described in Engrossed Substitute
35 House Bill No. 2358. The proposal shall be completed and presented to
36 the joint transportation committee no later than August 1, 2007.

37 (9) \$200,000 of the Puget Sound ferry operations account--state
38 appropriation is provided solely for the initial acquisition of

1 transportation worker identification credentials required by the United
2 States department of homeland security for unescorted access to secure
3 areas of ferries and terminals.

4 (10) The legislature finds that a rigorous incident investigation
5 process is an essential component of marine safety. The department is
6 directed to review its accident and incident investigation procedures
7 and report the results of its review with any proposals for changes to
8 the legislature by November 1, 2008.

9 (11) The department shall allow the use, by two separate drivers,
10 of fare media allowing for multiple discounted vehicle trips aboard
11 Washington state ferries vessels.

12 (12) Washington state ferries may investigate the implementation of
13 a pilot car-sharing program in the San Juan Islands, in order to reduce
14 the peak auto-load pressures on the inter-island San Juan ferry system
15 and provide a convenient alternative for the residents of the San Juan
16 Islands. Under the pilot program, inter-island passengers should be
17 able to reserve a car, pay their normal automobile ferry fare, walk on
18 the ferry, and use the shared car upon arrival. The Washington state
19 ferries shall report to the transportation committees of the
20 legislature by November 15, 2008, regarding the feasibility of the
21 pilot program, including whether the difference between the passenger
22 ferry fare and the automobile ferry fare would cover the subsidy costs
23 needed to implement the pilot program.

24 (13) While developing fare and pricing policy proposals, the
25 department may consider the desirability of reasonable fares for
26 persons using the ferry system to commute daily to work and other
27 frequent users who live in ferry-dependent communities.

28 (14) \$357,000 of the Puget Sound ferry operations account--state
29 appropriation is for two extra trips per day, beyond the current
30 schedule, from May 19, 2008, through September 8, 2008, at the Port
31 Townsend/Keystone route.

32 **Sec. 225.** 2007 c 518 s 226 (uncodified) is amended to read as
33 follows:

34 **FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--OPERATING**
35 Multimodal Transportation Account--State
36 Appropriation ((\$37,034,000))
37 \$37,010,000

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

3 (1) The department shall publish a final long-range plan for Amtrak
4 Cascades by September 30, 2007. By December 31, 2008, the department
5 shall submit to the office of financial management and the
6 transportation committees of the legislature a midrange plan for Amtrak
7 Cascades that identifies specific steps the department would propose to
8 achieve additional service beyond current levels.

9 (2)(a) \$29,091,000 of the multimodal transportation account--state
10 appropriation is provided solely for the Amtrak service contract and
11 Talgo maintenance contract associated with providing and maintaining
12 the state-supported passenger rail service. Upon completion of the
13 rail platform project in the city of Stanwood, the department shall
14 provide daily Amtrak Cascades service to the city.

15 (b) The department shall negotiate with Amtrak and Burlington
16 Northern Santa Fe to adjust the Amtrak Cascades schedule to leave
17 Bellingham at a significantly earlier hour.

18 (c) When Amtrak Cascades expands the second roundtrip between
19 Vancouver, B.C. and Seattle, the department shall negotiate for the
20 second roundtrip to leave Bellingham southbound no later than 8:30 a.m.

21 (3) No Amtrak Cascade runs may be eliminated.

22 (4) \$40,000 of the multimodal transportation account--state
23 appropriation is provided solely for the produce railcar program. The
24 department is encouraged to implement the produce railcar program by
25 maximizing private investment.

26 (5) The department shall begin planning for a third roundtrip
27 Cascades train between Seattle and Vancouver, B.C. by 2010.

28 **Sec. 226.** 2007 c 518 s 227 (uncodified) is amended to read as
29 follows:

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

32	Motor Vehicle Account--State Appropriation	((\$8,630,000))
33		<u>\$8,981,000</u>
34	Motor Vehicle Account--Federal Appropriation	\$2,567,000
35	TOTAL APPROPRIATION	((\$11,197,000))
36		<u>\$11,548,000</u>

37 (1) The appropriations in this section are subject to the following

1 conditions and limitations: The department of transportation shall
2 provide up to \$2,700,000 in toll credits to Kitsap transit for
3 passenger-only ferry service and up to \$750,000 in toll credits to the
4 port of Kingston for the purchase of a passenger-only ferry vessel.
5 The number of toll credits provided to Kitsap transit and the port of
6 Kingston must be equal to, but no more than, a number sufficient to
7 meet federal match requirements for grant funding for passenger-only
8 ferry service, but shall not exceed the amount authorized under this
9 section. The department may not allocate, grant, or utilize any state
10 or state appropriated or managed federal funds as a match to the
11 federal grant funding on projects to which these toll credits are
12 applied.

13 (2) \$902,000 of the motor vehicle account--state appropriation is
14 provided solely to Wahkiakum county for operating and maintenance costs
15 of the Puget Island-Westport ferry.

16 **TRANSPORTATION AGENCIES--CAPITAL**

17 **Sec. 301.** 2007 c 518 s 301 (uncodified) is amended to read as
18 follows:

19 **FOR THE WASHINGTON STATE PATROL**

20 State Patrol Highway Account--State Appropriation . . . (~~(\$2,934,000)~~)
21 \$4,234,000

22 The appropriation in this section is subject to the following
23 conditions and limitations:

24 (1) \$2,200,000 is provided solely for the following minor works
25 projects: \$195,000 for HVAC renovation at the Chehalis, Kelso,
26 Okanogan, and Ellensburg detachments; \$50,000 for roof replacements at
27 the Toppenish, SeaTac NB, SeaTac SB, and Plymouth weigh stations;
28 \$35,000 for replacement of the Shelton academy roof drain and
29 downspout; \$100,000 for parking lot repairs at Okanogan, Goldendale,
30 Ritzville, and Moses Lake detachment offices and the Wenatchee 6
31 headquarters; \$290,000 for replacement of the weigh station scales at
32 Brady and Artic; \$152,000 for carpet replacement at the Ritzville,
33 Moses Lake, Morton, Kelso, Chehalis, Walla Walla, Kennewick, South
34 King, and Hoquiam detachment offices; \$185,000 for HVAC replacement at
35 Tacoma and Marysville detachment offices; \$330,000 for repair and
36 upgrade of the Bellevue tower; \$473,000 for replacement of twenty-one

1 communication site underground fuel tanks; \$240,000 for replacement of
2 communication site buildings at Lind, Scoggans Mountain, and Lewiston
3 Ridge; and \$150,000 for unforeseen emergency repairs.

4 (2) \$687,000 is provided solely for design and construction of
5 regional waste water treatment systems for the Shelton academy of the
6 Washington state patrol.

7 (3) \$47,000 is provided solely for predesign of a single,
8 consolidated aviation facility at the Olympia airport to house the
9 fixed wing operations of the Washington state patrol, the department of
10 natural resources (DNR), and the department of fish and wildlife, and
11 the rotary operations of the DNR.

12 (4) \$1,300,000 of the state patrol highway account--state
13 appropriation is provided solely for the acquisition of land adjacent
14 to the Shelton training academy for anticipated expansion; however, the
15 amount provided in this subsection is contingent on the Washington
16 state patrol adding a surcharge to the rates charged to any other
17 agency or entity that uses the academy in an amount sufficient to
18 defray a share of the expansion costs that is proportionate to the
19 relative volume of use of the academy by such agencies or entities.
20 The surcharge imposed must be sufficient to recover the requisite
21 portion of the academy expansion costs within ten years of the
22 effective date of this subsection.

23 **Sec. 302.** 2007 c 518 s 302 (uncodified) is amended to read as
24 follows:

25 **FOR THE COUNTY ROAD ADMINISTRATION BOARD**

26 Rural Arterial Trust Account--State Appropriation	\$64,000,000
27 Motor Vehicle Account--State Appropriation	((\$2,368,000))
28	<u>\$2,370,000</u>
29 County Arterial Preservation Account--State	
30 Appropriation	((\$32,861,000))
31	<u>\$32,641,000</u>
32 TOTAL APPROPRIATION	((\$99,229,000))
33	<u>\$99,011,000</u>

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

36 (1) ~~((\$2,069,000))~~ \$2,370,000 of the motor vehicle account--state
37 appropriation may be used for county ~~((ferries. The board shall review~~

1 ~~the requests for county ferry funding in consideration with other~~
2 ~~projects funded from the board. If the board determines these projects~~
3 ~~are a priority over the projects in the rural arterial and county~~
4 ~~arterial preservation grant programs, then they may provide funding for~~
5 ~~these requests)) ferry projects as set forth in RCW 47.56.725(4).~~

6 (2) The appropriations contained in this section include funding to
7 counties to assist them in efforts to recover from winter storm and
8 flood damage, by providing capitalization advances and local match for
9 federal emergency funding as determined by the county road
10 administration board. The county road administration board shall
11 specifically identify any such selected projects and shall include
12 information concerning them in its next annual report to the
13 legislature.

14 **Sec. 303.** 2007 c 518 s 303 (uncodified) is amended to read as
15 follows:

16 **FOR THE TRANSPORTATION IMPROVEMENT BOARD**

17 Small City Pavement and Sidewalk Account--State
18 Appropriation ((\$4,500,000))
19 \$5,900,000
20 Urban Arterial Trust Account--State Appropriation . . ((\$129,600,000))
21 \$126,600,000
22 Transportation Improvement Account--State
23 Appropriation ((\$90,643,000))
24 \$87,143,000
25 TOTAL APPROPRIATION ((\$224,743,000))
26 \$219,643,000

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

29 (1) The transportation improvement account--state appropriation
30 includes up to \$7,143,000 in proceeds from the sale of bonds authorized
31 in RCW 47.26.500.

32 (2) The urban arterial trust account--state appropriation includes
33 up to \$15,000,000 in proceeds from the sale of bonds authorized in
34 Substitute House Bill No. 2394. If Substitute House Bill No. 2394 is
35 not enacted by June 30, 2007, the amount provided in this subsection
36 shall lapse.

1 NEW SECTION. **Sec. 304.** A new section is added to 2007 c 518
2 (uncodified) to read as follows:

3 **FOR THE DEPARTMENT OF TRANSPORTATION.** The nickel and transportation
4 partnership revenue packages were created in 2003 and 2005 to finance
5 transportation construction over a sixteen year period. Since the
6 adoption of the 2003 and 2005 transportation project lists, significant
7 cost increases have resulted from extraordinary inflation. At the same
8 time, motor vehicle fuel prices have risen dramatically, and state and
9 federal gas tax revenues dedicated to paying for these programs are
10 forecasted to decrease over the sixteen year time period. Additional
11 cost increases and eroding revenues will be difficult, if not
12 impossible, to accommodate in the sixteen year financial plan.

13 As part of its budget submittal for the 2009-2011 biennium, the
14 department of transportation shall prepare information regarding the
15 nickel and transportation partnership funded projects for consideration
16 by the office of financial management and the legislative
17 transportation committees that:

18 (1) Compares the original project cost estimates approved in the
19 2003 and 2005 project list to the completed cost of the project, or the
20 most recent legislatively approved budget and total project costs for
21 projects not yet completed;

22 (2) Identifies highway projects that may be reduced in scope and
23 still achieve a functional benefit;

24 (3) Identifies highway projects that have experienced scope
25 increases and that can be reduced in scope;

26 (4) Identifies highway projects that have lost significant local or
27 regional contributions which were essential to completing the project;
28 and

29 (5) Identifies contingency amounts allocated to projects.

30 **Sec. 305.** 2007 c 518 s 304 (uncodified) is amended to read as
31 follows:

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

34 Motor Vehicle Account--State Appropriation (~~(\$6,202,000)~~)
35 \$6,255,000

36 The appropriation in this section is subject to the following
37 conditions and limitations:

1 (1) \$584,000 of the motor vehicle account--state appropriation is
2 for statewide administration.

3 (2) (~~(\$750,000)~~) \$803,000 of the motor vehicle account--state
4 appropriation is for regional minor projects.

5 (3) \$568,000 of the motor vehicle account--state appropriation is
6 for the Olympic region headquarters property payments.

7 (4) By September 1, 2007, the department shall submit to the
8 transportation committees of the legislature predesign plans, developed
9 using the office of financial management's predesign process, for all
10 facility replacement projects to be proposed in the facilities 2008
11 budget proposal.

12 (5) \$1,600,000 of the motor vehicle account--state appropriation is
13 for site acquisition for the Tri-cities area maintenance facility.

14 (6) \$2,700,000 of the motor vehicle account--state appropriation is
15 for site acquisition for the Vancouver light industrial facility.

16 (7) The department shall work with the office of financial
17 management and staff of the transportation committees of the
18 legislature to develop a statewide inventory of all department-owned
19 surplus property that is suitable for development for department
20 facilities or that should be sold. By December 1, 2008, the department
21 shall report to the joint transportation committee on the findings of
22 this study.

23 **Sec. 306.** 2007 c 518 s 305 (uncodified) is amended to read as
24 follows:

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

26 Transportation Partnership Account--State

27	Appropriation	((\$1,226,516,000))
28		<u>\$1,109,593,000</u>
29	Motor Vehicle Account--State Appropriation	((\$82,045,000))
30		<u>\$87,210,000</u>
31	Motor Vehicle Account--Federal Appropriation	((\$404,090,000))
32		<u>\$457,580,000</u>
33	Motor Vehicle Account--Private/Local	
34	Appropriation	((\$49,157,000))
35		<u>\$64,487,000</u>
36	Special Category C Account--State Appropriation	((\$29,968,000))
37		<u>\$29,125,000</u>

1 (3) Within the amounts provided in this section, (~~(\$1,991,000)~~)
2 \$1,895,000 of the transportation partnership account--state
3 appropriation, (~~(\$1,656,000)~~) \$2,147,000 of the motor vehicle account--
4 federal appropriation, and (~~(\$8,343,000)~~) \$10,331,000 of the
5 transportation 2003 account (nickel account)--state appropriation are
6 for project 109040T as identified in the LEAP transportation document
7 referenced in subsection (1) of this section: I-90/Two Way Transit-
8 Transit and HOV Improvements - Stage 1. Expenditure of the funds on
9 construction is contingent upon revising the access plan for Mercer
10 Island traffic such that Mercer Island traffic will have access to the
11 outer roadway high occupancy vehicle (HOV) lanes during the period of
12 operation of such lanes following the removal of Mercer Island traffic
13 from the center roadway and prior to conversion of the outer roadway
14 HOV lanes to high occupancy toll (HOT) lanes. Sound transit may only
15 have access to the center lanes when alternative R8A is complete.

16 (4) The Tacoma Narrows toll bridge account--state appropriation
17 includes up to (~~(\$131,016,000)~~) \$18,000,000 in proceeds from the sale
18 of bonds authorized by RCW 47.10.843.

19 (5) The funding described in this section includes (~~(\$8,095,541)~~)
20 \$36,693,000 of the transportation 2003 account (nickel account)--state
21 appropriation and (~~(\$237,241 of the motor vehicle account--~~
22 ~~private/local)~~) \$208,000 of the freight mobility multimodal account--
23 state appropriation, which are for the SR 519 project identified as
24 project number 851902A in the LEAP Transportation Document referenced
25 in subsection (1) of this section. The total project is expected to
26 cost no more than \$74,400,000 including (~~(\$11,950,000)~~) \$10,610,000 in
27 contributions from project partners, including Burlington Northern
28 Santa Fe railroad.

29 (6) To promote and support community-specific noise reduction
30 solutions, the department shall:

31 (a) Prepare a draft directive that establishes how each community's
32 priorities and concerns may be identified and addressed in order to
33 allow consideration of a community's preferred methods of advanced
34 visual shielding and aesthetic screening, for the purpose of improving
35 the noise environment of major state roadway projects in locations that
36 do not meet the criteria for standard noise barriers. The intent is
37 for these provisions to be supportable by existing project budgets.
38 The directive shall also include direction on the coordination and

1 selection of visual and aesthetic options with local communities. The
2 draft directive shall be provided to the standing transportation
3 committees of the legislature by January 2008; and

4 (b) Pilot the draft directive established in (a) of this subsection
5 in two locations along major state roadways. If practicable, the
6 department should begin work on the pilot projects while the directive
7 is being developed. One pilot project shall be located in Clark county
8 on a significant capacity improvement project. The second pilot
9 project shall be located in urban King county, which shall be on a
10 corridor highway project through mixed land use areas that is nearing
11 or under construction. The department shall provide a written report
12 to the standing transportation committees of the legislature on the
13 findings of the Clark county pilot project by January 2009, and the
14 King county pilot project by January 2010. Based on results of the
15 pilot projects, the department shall update its design manual,
16 environmental procedures, or other appropriate documents to incorporate
17 the directive.

18 ~~((+8))~~ (7) If the "Green Highway" provisions of Engrossed Second
19 Substitute House Bill No. 1303 (cleaner energy) are enacted, the
20 department shall erect signs on the interstate highways included in
21 those provisions noting that these interstates have been designated
22 "Washington Green Highways."

23 ~~((+9))~~ (8) If on the I-405/I-90 to SE 8th Street Widening project
24 the department finds that there is an alternative investment to
25 preserve reliable rail accessibility to major manufacturing sites
26 within the I-405 corridor that are less expensive than replacing the
27 Wilburton Tunnel, the department may enter into the necessary
28 agreements to implement that alternative provided that costs remain
29 within the approved project budget.

30 ~~((+11))~~ (9) The department shall apply for surface transportation
31 program (STP) enhancement funds to be expended in lieu of or in
32 addition to state funds for eligible costs of projects in Programs I
33 and P, including, but not limited to, the SR 518, SR 519, SR 520, and
34 Alaskan Way Viaduct projects.

35 ~~((+12))~~ (10) \$250,000 of the motor vehicle account--state
36 appropriation ~~((is))~~ and \$226,000 of the motor vehicle account--federal
37 appropriation are provided solely for an inland pacific hub study to
38 develop an inland corridor for the movement of freight and goods to and

1 through eastern Washington; and \$500,000 of the motor vehicle account--
2 state appropriation is provided solely for the SR3/SR16 corridor study
3 to plan and prioritize state and local improvements needed over the
4 next 10-20 years to support safety, capacity development, and economic
5 development within the corridor.

6 ~~((+13+))~~ (11) The department shall, on a quarterly basis beginning
7 July 1, 2007, provide to the office of financial management and the
8 legislature reports providing the status on each active project funded
9 in part or whole by the transportation 2003 account (nickel account) or
10 the transportation partnership account. Funding provided at a
11 programmatic level for transportation partnership account and
12 transportation 2003 account (nickel account) projects relating to
13 bridge rail, guard rail, fish passage barrier removal, and roadside
14 safety projects should be reported on a programmatic basis. Projects
15 within this programmatic level funding should be completed on a
16 priority basis and scoped to be completed within the current
17 programmatic budget. Other projects may be reported on a programmatic
18 basis. The department shall work with the office of financial
19 management and the transportation committees of the legislature to
20 agree on report formatting and elements. Elements shall include, but
21 not be limited to, project scope, schedule, and costs. The department
22 shall also provide the information required under this subsection on a
23 quarterly basis via the transportation executive information systems
24 (TEIS).

25 ~~((+14+))~~ (12) The department shall apply for the competitive
26 portion of federal transit administration funds for eligible transit-
27 related costs of the SR 520 bridge replacement and HOV project. The
28 federal funds described in this subsection shall not include those
29 federal transit administration funds distributed by formula.

30 ~~((+15+))~~ (13) Funding provided by this act for the Alaskan Way
31 Viaduct project shall not be spent for preliminary engineering, design,
32 right-of-way acquisition, or construction on the project if completion
33 of the project would more likely than not reduce the capacity of the
34 facility. Capacity shall be measured by including the consideration of
35 the efficient movement of people and goods on the facility.

36 ~~((+16+))~~ (14) The governor shall convene a collaborative process
37 involving key leaders to determine the final project design for the
38 Alaskan Way Viaduct.

1 (a) The process shall be guided by the following common principles:
2 Public safety must be maintained; the final project shall meet both
3 capacity and mobility needs; and taxpayer dollars must be spent
4 responsibly.

5 (b) The state's project expenditures shall not exceed
6 \$2,800,000,000.

7 (c) A final design decision shall be made by December 31, 2008.

8 ~~((+17+))~~ (15) During the 2007-09 biennium, the department shall
9 proceed with a series of projects on the Alaskan Way Viaduct that are
10 common to any design alternative. Those projects include relocation of
11 two electrical transmission lines, Battery Street tunnel upgrades,
12 seismic upgrades from Lenora to the Battery Street tunnel, viaduct
13 removal from Holgate to King Street, and development of transit
14 enhancements and other improvements to mitigate congestion during
15 construction.

16 ~~((+18) The entire freight congestion relief account state
17 appropriation is contingent upon the enactment during the 2007-2009
18 fiscal biennium of a bill, resulting from the study established in
19 Substitute Senate Bill No. 5207, that makes available funding to
20 support project expenditures funded from the freight congestion relief
21 account created in Substitute Senate Bill No. 5207. If such a funding
22 bill is not enacted by June 30, 2009, the entire freight congestion
23 relief account state appropriation shall lapse.~~

24 ~~(+19+))~~ (16) The transportation 2003 account (nickel account)--state
25 appropriation includes up to ~~((+\$874,610,000))~~ \$825,000,000 in proceeds
26 from the sale of bonds authorized by RCW 47.10.861.

27 ~~((+20+))~~ (17) The transportation partnership account--state
28 appropriation includes up to ~~((+\$900,000,000))~~ \$740,000,000 in proceeds
29 from the sale of bonds authorized in RCW 47.10.873.

30 ~~((+21+))~~ (18) The special category C account--state appropriation
31 includes up to ~~((+\$22,080,000))~~ \$21,497,000 in proceeds from the sale of
32 bonds authorized in Substitute House Bill No. 2394. If Substitute
33 House Bill No. 2394 is not enacted by June 30, 2007, the amount
34 provided in this subsection shall lapse.

35 ~~((+22+))~~ (19) \$4,500,000 of the motor vehicle account--federal
36 appropriation is provided solely for cost increases on the SR
37 304/Bremerton tunnel project.

1 ~~((23) \$3,000,000))~~ (20) \$2,071,000 of the motor vehicle account--
2 ~~((state))~~ federal appropriation is provided solely for initial design
3 and right of way work on a new southbound SR 509 to eastbound SR 518
4 freeway-to-freeway elevated ramp.

5 ~~((24))~~ (21) \$500,000 of the motor vehicle account--federal
6 appropriation to the SR 543/I-5 to Canadian border project is provided
7 solely for retaining wall facia improvements.

8 ~~((25) \$1,400,000))~~ (22) \$950,000 of the motor vehicle account--
9 federal appropriation ~~((is))~~ and \$24,000 of the motor vehicle
10 account--state appropriation are provided solely for the Westview
11 school noise wall.

12 ~~((26))~~ (23) \$1,600,000 of the motor vehicle account--~~((federal))~~
13 state appropriation is provided solely for two noise walls on SR 161 in
14 King county.

15 ~~((27))~~ (24) ~~((\$900,000))~~ \$20,000 of the motor vehicle account--
16 state appropriation and ~~((\$100,000))~~ \$280,000 of the motor vehicle
17 account--federal appropriation are provided solely for interchange
18 design and planning work on US 12 at A street and tank farm road.

19 (25) The funding described in this section includes \$19,939,000 of
20 the transportation partnership account--state appropriation, \$29,000 of
21 the motor vehicle account--state appropriation, \$308,000 of the motor
22 vehicle account--private/local appropriation, and \$17,900,000 of the
23 motor vehicle account--federal appropriation for the I-5/Columbia river
24 crossing/Vancouver project. The funding described in this subsection
25 includes up to \$15,000,000 awarded to Washington and Oregon jointly
26 through the U.S. department of transportation corridors of the future
27 program in the 2007 federal highway authority discretionary fund
28 allocations.

29 (26) The department shall study any outstanding issues, including
30 financial issues that may apply to the I-5/Columbia river
31 crossing/Vancouver project. The department's efforts must include an
32 analysis of current bi-state efforts in planning, coordination, and
33 funding for the project; opportunities for the joining of state and
34 local government agencies and the private sector in a strong
35 partnership that contributes to the completion of the project; and
36 opportunities to work with the congressional delegations of Oregon and
37 Washington to provide federal funding and other assistance that will
38 advance this project of national and regional significance.

1 (27) \$1,500,000 of the motor vehicle account--federal appropriation
2 and \$4,908,000 of the transportation partnership account--state
3 appropriation are provided solely for project 1090400 as identified in
4 the LEAP transportation document in subsection (1) of this section:
5 I-90/Two-Way Transit-Transit and HOV Improvements, Stages 2 and 3. Of
6 these amounts, up to \$550,000 of the transportation partnership
7 account--state appropriation is to provide funding for an independent
8 technical review, overseen by the joint transportation committee, of
9 light rail impacts on the Interstate 90 - Homer Hadley Floating Bridge.
10 The technical review shall complement sound transit's current and
11 planned engineering design work to expand light rail in the central
12 Puget Sound region. The department shall coordinate its work with
13 sound transit and seek contributions from sound transit for the review.

14 (28) \$1,400,000 of the motor vehicle account--state appropriation
15 is provided solely for safety improvements on US Highway 2 between
16 Monroe and Gold Bar. Additional project funding of \$8,600,000 is
17 assumed in the 2009-2011 biennium, bringing the total project funding
18 to \$10,000,000. This high priority safety project will provide safety
19 enhancements on US Highway 2 between Gold Bar and Monroe, such as a
20 passing lane or interchange/turning lane improvements. The department
21 shall seek input from the US Highway 2 safety coalition to select
22 projects that will help reduce fatalities on this corridor.

23 (29) \$2,267,000 of the motor vehicle account--federal
24 appropriation, \$218,500 of the motor vehicle account--state
25 appropriation, and \$1,500,000 of the motor vehicle account--
26 private/local appropriation are provided solely for installing
27 centerline rumble strips and related improvements on US Highway 2
28 between Monroe and Sultan. The section of US Highway 2 from Monroe to
29 Deception Creek has a high frequency of centerline crossover
30 collisions. By installing centerline rumble strips, the project will
31 reduce the risk of crossover collisions. This project will also place
32 shoulder rumble strips between Monroe and Sultan.

33 (30) \$1,500,000 of the motor vehicle account--state appropriation
34 is provided solely for the SR 28/E End of the George Sellar bridge
35 (202802V) for the purpose of funding a pedestrian tunnel connection.
36 This funding is provided in anticipation of a federal grant specific to
37 this project, which, if received, must be used to reimburse the state
38 funding provided in this subsection.

1 (1) Except as provided otherwise in this section, the entire
2 transportation 2003 account (nickel account) appropriation and the
3 entire transportation partnership account appropriation are provided
4 solely for the projects and activities as listed by fund, project, and
5 amount in LEAP Transportation Document (~~((2007-1))~~) 2008-1, Highway
6 Preservation Program (P) as developed (~~((April 20, 2007))~~) March 10,
7 2008. However, limited transfers of specific line-item project
8 appropriations may occur between projects for those amounts listed
9 subject to the conditions and limitations in section 603 of this act.

10 (2) (~~((\$295,000))~~) \$287,000 of the motor vehicle account--federal
11 appropriation and (~~((\$5,000))~~) \$11,000 of the motor vehicle account--
12 state appropriation are provided solely for the department to determine
13 the most cost efficient way to replace the current Keller ferry.
14 Options reviewed shall not include an expansion of the current capacity
15 of the Keller ferry.

16 (3) (~~((\$5,513,000))~~) \$5,308,000 of the transportation partnership
17 account--state appropriation is provided solely for the purposes of
18 settling all identified and potential claims from the Lower Elwha
19 Klallam Tribe related to the construction of a graving dock facility on
20 the graving dock property. In the matter of *Lower Elwha Klallam Tribe*
21 *et al v. State et al*, Thurston county superior court, cause no.
22 05-2-01595-8, the Lower Elwha Klallam Tribe and the state of Washington
23 entered into a settlement agreement that settles all claims related to
24 graving dock property and associated construction and releases the
25 state from all claims related to the construction of the graving dock
26 facilities. The expenditure of this appropriation is contingent on the
27 conditions and limitations set forth in subsections (a) and (b) of this
28 subsection.

29 (a) \$2,000,000 of the transportation partnership account--state
30 appropriation is provided solely for the benefit of the Lower Elwha
31 Klallam Tribe to be disbursed by the department in accordance with
32 terms and conditions of the settlement agreement.

33 (b) (~~((\$3,513,000))~~) \$3,308,000 of the transportation partnership
34 account--state appropriation is provided solely for the department's
35 remediation work on the graving dock property in accordance with the
36 terms and conditions of the settlement agreement.

37 (4) The department shall apply for surface transportation program
38 (STP) enhancement funds to be expended in lieu of or in addition to

1 state funds for eligible costs of projects in Programs I and P,
2 including, but not limited to, the SR 518, SR 519, SR 520, and Alaskan
3 Way Viaduct projects.

4 (5) The department shall, on a quarterly basis beginning July 1,
5 2007, provide to the office of financial management and the legislature
6 reports providing the status on each active project funded in part or
7 whole by the transportation 2003 account (nickel account) or the
8 transportation partnership account. Funding provided at a programmatic
9 level for transportation partnership account projects relating to
10 seismic bridges should be reported on a programmatic basis. Projects
11 within this programmatic level funding should be completed on a
12 priority basis and scoped to be completed within the current
13 programmatic budget. Other projects may be reported on a programmatic
14 basis. The department shall work with the office of financial
15 management and the transportation committees of the legislature to
16 agree on report formatting and elements. Elements shall include, but
17 not be limited to, project scope, schedule, and costs. The department
18 shall also provide the information required under this subsection on a
19 quarterly basis via the transportation executive information systems
20 (TEIS).

21 (6) The department of transportation shall continue to implement
22 the lowest life cycle cost planning approach to pavement management
23 throughout the state to encourage the most effective and efficient use
24 of pavement preservation funds. Emphasis should be placed on
25 increasing the number of roads addressed on time and reducing the
26 number of roads past due.

27 (7) (~~(\$2,604,501)~~) \$13,257,000 of the motor vehicle account--
28 federal appropriation and (~~(\$3,000,000)~~) \$5,000,000 of the motor
29 vehicle account--state appropriation are for expenditures on damaged
30 state roads due to flooding, mudslides, rock fall, or other unforeseen
31 events.

32 (8) (~~(\$9,665)~~) \$188,000 of the motor vehicle account--state
33 appropriation, (~~(\$12,652,812)~~) \$28,749,000 of the motor vehicle
34 account--federal appropriation, and (~~(\$138,174,581)~~) \$105,653,000 of
35 the transportation partnership account--state appropriation are
36 provided solely for the Hood Canal bridge project.

37 (9) \$12,500,000 of the Puyallup tribal settlement account--state
38 appropriation is provided solely for mitigation costs associated with

1 the Murray Morgan/11th Street Bridge demolition. The department may
2 negotiate with the city of Tacoma for the purpose of transferring
3 ownership of the Murray Morgan/11th Street Bridge to the city. If the
4 city agrees to accept ownership of the bridge, the department may use
5 the Puyallup tribal settlement account appropriation and other
6 appropriated funds for bridge rehabilitation, bridge replacement,
7 bridge demolition, and related mitigation. In no event shall the
8 department's participation exceed \$39,953,000. No funds may be
9 expended unless the city of Tacoma agrees to take ownership of the
10 bridge in its entirety and provides that the payment of these funds
11 extinguishes any real or implied agreements regarding future bridge
12 expenditures.

13 **Sec. 308.** 2007 c 518 s 307 (uncodified) is amended to read as
14 follows:

15 **FOR THE DEPARTMENT OF TRANSPORTATION--TRAFFIC OPERATIONS--PROGRAM Q--**
16 **CAPITAL**

17	Motor Vehicle Account--State Appropriation	((\$9,212,000))
18		<u>\$9,462,000</u>
19	Motor Vehicle Account--Federal Appropriation	\$15,951,000
20	Motor Vehicle Account--Private/Local Appropriation	\$74,000
21	TOTAL APPROPRIATION	((\$25,237,000))
22		<u>\$25,487,000</u>

23 The appropriations in this section are subject to the following
24 conditions and limitations: The motor vehicle account--state
25 appropriation includes ((~~\$8,833,000~~)) \$8,959,335 provided solely for
26 state matching funds for federally selected competitive grant or
27 congressional earmark projects. These moneys shall be placed into
28 reserve status until such time as federal funds are secured that
29 require a state match.

30 **Sec. 309.** 2007 c 518 s 308 (uncodified) is amended to read as
31 follows:

32 **FOR THE DEPARTMENT OF TRANSPORTATION--WASHINGTON STATE FERRIES**
33 **CONSTRUCTION--PROGRAM W**

34	Puget Sound Capital Construction Account--State	
35	Appropriation	((\$139,139,000))
36		<u>\$142,250,000</u>

1 (d) Clinton ferry terminal - septic system replacement;
2 (e) Edmonds ferry terminal - right-of-way acquisition costs
3 ~~((and))~~, federal match requirements, and removal of Unocal Pier;
4 (f) Friday Harbor ferry terminal - parking resurfacing;
5 (g) Keystone and Port Townsend ferry terminals - route
6 environmental planning;
7 (h) Kingston ferry terminal - transfer span retrofit and overhead
8 vehicle holding control system modifications;
9 (i) Mukilteo ferry terminal - right-of-way acquisition,
10 archaeological studies, ~~((and))~~ environmental planning, and additional
11 vehicle holding;
12 (j) Orcas ferry terminal - dolphin replacement;
13 (k) Port Townsend ferry terminal - wingwall replacement, interim
14 holding, tie-up slip, and initial reservation system;
15 ~~((+k))~~ (l) Seattle ferry terminal - environmental planning,
16 coordination with local jurisdictions, ((and)) coordination with
17 highway projects, and contractor payment for automated re-entry gates;
18 ~~((and~~
19 ~~(+l))~~ (m) Southworth ferry terminal - federal grant to conduct
20 preliminary studies and planning for a 2nd operating slip; and
21 (n) Vashon Island and Seattle ferry terminals - modify the
22 passenger-only facilities.
23 ~~((+4) \$76,525,000))~~ (3) \$46,020,666 of the transportation 2003
24 account (nickel account)--state appropriation and ~~((+\$50,985,000))~~
25 \$3,750,000 of the Puget Sound capital construction account--~~((state))~~
26 federal appropriation are provided solely for the procurement of
27 ~~((four))~~ up to three 144-vehicle auto-passenger ferry vessels.
28 ~~((+5))~~ (4) \$18,716,000 of the Puget Sound capital construction
29 account--state appropriation is provided solely for the Eagle Harbor
30 maintenance facility preservation project. These funds may not be used
31 for relocating any warehouses not currently on the Eagle Harbor site.
32 ~~((+6))~~ (5) The department shall research an asset management
33 system to improve Washington state ferries' management of capital
34 assets and the department's ability to estimate future preservation
35 needs. The department shall report its findings regarding a new asset
36 management system to the governor and the transportation committees of
37 the legislature no later than January 15, 2008.

1 ~~((7))~~ (6) The department shall sell the M.V. Chinook and M.V.
2 Snohomish passenger-only fast ferries as soon as practicable and
3 deposit the proceeds of the sales into the passenger ferry account
4 created in RCW 47.60.645. Once the department ceases to provide
5 passenger-only ferry service, the department shall sell the M.V. Kalama
6 and M.V. Skagit passenger-only ferries and deposit the proceeds of the
7 sales into the passenger ferry account created in RCW 47.60.645.

8 ~~((8))~~ (7) The department shall, on a quarterly basis beginning
9 July 1, 2007, provide to the office of financial management and the
10 legislature reports providing the status on each project listed in this
11 section and in the project lists submitted pursuant to this act and on
12 any additional projects for which the department has expended funds
13 during the 2007-09 fiscal biennium. Elements shall include, but not be
14 limited to, project scope, schedule, and costs. The department shall
15 also provide the information required under this subsection via the
16 transportation executive information systems (TEIS).

17 (8) \$1,105,000 of the Puget Sound capital construction
18 account--state appropriation and \$8,038,000 of the transportation 2003
19 account (nickel account)--state appropriation are provided solely for
20 a dolphin replacement project at the Vashon Island ferry terminal. The
21 department shall submit a predesign study to the joint transportation
22 committee before beginning design or construction of this project.

23 (9) The department of transportation is authorized to sell up to
24 \$105,000,000 in bonds authorized by RCW 47.10.843 for vessel and
25 terminal acquisition, major and minor improvements, and long lead-time
26 materials acquisition for the Washington state ferries.

27 (10) The department shall review the costs and benefits of
28 continued use of the primavera scheduling system in the Washington
29 state ferries marine division and include that review with its 2009-
30 2011 budget submittal.

31 (11) The department shall review staffing in its capital
32 engineering divisions to ensure core competency in, and a focus on,
33 terminal and vessel preservation, with staffing sufficient to implement
34 the preservation program in the capital plan. Until the completion of
35 the capital plan, the department shall maintain capital staffing levels
36 at or below the level of staffing on January 1, 2008.

37 (12) The department shall sell, be in the process of selling, or

1 otherwise dispose of the four steel electric auto-ferry vessels in the
2 most cost effective way practicable no later than June 1, 2008.

3 **Sec. 310.** 2007 c 518 s 309 (uncodified) is amended to read as
4 follows:

5 **FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--CAPITAL**

6 Essential Rail Assistance Account--State Appropriation . . . \$500,000

7 (~~Freight Congestion Relief Account--State~~
8 ~~Appropriation \$25,000,000~~)

9 Transportation Infrastructure Account--State

10 Appropriation ((~~\$2,500,000~~))
11 \$1,713,000

12 Transportation Infrastructure Account--Federal

13 Appropriation \$787,000

14 Multimodal Transportation Account--State

15 Appropriation ((~~\$154,637,000~~))
16 \$165,512,000

17 Multimodal Transportation Account--Federal

18 Appropriation ((~~\$30,450,000~~))
19 \$33,906,000

20 Multimodal Transportation Account--Private/Local

21 Appropriation ((~~\$7,894,000~~))
22 \$2,659,000

23 TOTAL APPROPRIATION ((~~\$220,981,000~~))
24 \$205,077,000

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

27 (1)(a) Except as provided otherwise in (~~subsection (8) of~~) this
28 section, the entire appropriations in this section are provided solely
29 for the projects and activities as listed by fund, project, and amount
30 in LEAP Transportation Document ((~~2007-1~~)) 2008-1, Rail Capital Program
31 (Y) as developed ((~~April 20, 2007~~)) March 10, 2008. However, limited
32 transfers of specific line-item project appropriations may occur
33 between projects for those amounts listed subject to the conditions and
34 limitations in section 603 of this act.

35 (b) Within the amounts provided in this section, ((~~\$2,500,000~~))
36 \$1,713,000 of the transportation infrastructure account--state
37 appropriation ((~~is~~)) and \$787,000 of the transportation infrastructure

1 account--federal appropriation are for low-interest loans for rail
2 capital projects through the freight rail investment bank program. The
3 department shall issue a call for projects based upon the legislative
4 priorities specified in subsection (7)(a) of this section. Application
5 must be received by the department by (~~November 1, 2007~~) October 1,
6 2008. By (~~December 1, 2007~~) November 1, 2008, the department shall
7 submit a prioritized list of recommended projects to the office of
8 financial management and the transportation committees of the
9 legislature. The department shall award low-interest loans to the port
10 of Moses Lake in the amount of \$213,000, and based upon the prioritized
11 list of rail capital projects most recently submitted to the
12 legislature pursuant to this subsection, as follows: Port of Benton
13 County (\$250,000); Port of Everett (\$250,000); Central Terminals, LLC
14 (\$250,000); Tacoma Rail--Maintenance Facility (\$250,000); NW Container
15 Service (\$250,000); Port of Chehalis (\$250,000); Ballard Terminal
16 Railroad (\$250,000); Eastern Washington Gateway Railroad (\$36,875);
17 Spokane County (\$250,000); Tacoma Rail--Locomotive Idling (\$250,000).

18 (c) Within the amounts provided in this section, (~~(\$3,335,000)~~)
19 \$2,561,000 of the multimodal transportation account--state
20 appropriation is for statewide - emergent freight rail assistance
21 projects. However, the department shall perform a cost/benefit
22 analysis of the projects according to the legislative priorities
23 specified in subsection (7)(a) of this section, and shall give priority
24 to the following projects: Rail - Tacoma rail yard switching upgrades
25 (\$500,000); Rail - Port of Ephrata spur rehabilitation (\$127,000); Rail
26 - Lewis and Clark rail improvements (\$1,100,000); Rail - Port of Grays
27 Harbor rail access improvements (\$543,000); and Rail - Port of Longview
28 rail loop construction (\$291,000)(~~and Rail - Port of Chehalis~~
29 ~~(\$774,000))~~). If the relative cost of any of the six projects
30 identified in this subsection (1)(c) is not substantially less than the
31 public benefits to be derived from the project, then the department
32 shall not assign the funds to the project, and instead shall use those
33 funds toward those projects identified by the department in the
34 attachments to the "Washington State Department of Transportation
35 FREIGHT RAIL ASSISTANCE FUNDING PROGRAM: 2007-2009 Prioritized Project
36 List and Program Update" dated December 2006 for which the proportion
37 of public benefits to be gained compared to the cost of the project is
38 greatest.

1 (d) (~~Within the amounts provided in this section, \$25,000,000 of~~
2 ~~the freight congestion relief account state appropriation is for~~
3 ~~modifications to the Stampede Pass rail tunnel to facilitate the~~
4 ~~movement of double stacked rail cars. The department shall quantify~~
5 ~~and report to the legislature by December 1, 2007, the volume of~~
6 ~~freight traffic that would likely be shipped by rail rather than trucks~~
7 ~~if the Stampede Pass rail tunnel were modified to accommodate double~~
8 ~~stacked rail cars.~~

9 (e)) Within the amounts provided in this section, ((\$200,000))
10 \$339,000 of the multimodal transportation account--state appropriation
11 is for rescoping and completion of required environmental documents for
12 the Kelso to Martin's Bluff - 3rd Mainline and Storage Tracks project.
13 The rescoped project may include funds that are committed to the
14 project by local or private funding partners. However, the rescoped
15 project must be capable of being completed with not more than
16 \$49,470,000 in future state funding, inclusive of inflation costs.
17 Subject to this funding constraint, the rescoped project must maximize
18 capacity improvements along the rail mainline.

19 (~~f))~~ (e) Within the amounts provided in this section, \$3,600,000
20 of the multimodal transportation account--state appropriation is for
21 work items on the Palouse River and Coulee City Railroad lines.

22 (2) The multimodal transportation account--state appropriation
23 includes up to (~~\$137,620,000~~) \$144,500,000 in proceeds from the sale
24 of bonds authorized by RCW 47.10.867.

25 (3) The department is directed to seek the use of unprogrammed
26 federal rail crossing funds to be expended in lieu of or in addition to
27 state funds for eligible costs of projects in Program Y, including, but
28 not limited to the "Tacoma -- bypass of Pt. Defiance" project.

29 (4) If new federal funding for freight or passenger rail is
30 received, the department shall consult with the transportation
31 committees of the legislature and the office of financial management
32 prior to spending the funds on existing or additional projects.

33 (5) The department shall sell any ancillary property, acquired when
34 the state purchased the right-of-ways to the PCC rail line system, to
35 a lessee of the ancillary property who is willing to pay fair market
36 value for the property. The department shall deposit the proceeds from
37 the sale of ancillary property into the transportation infrastructure
38 account.

1 (6) (~~The entire freight congestion relief account state~~
2 ~~appropriation is contingent upon the enactment during the 2007-2009~~
3 ~~fiscal biennium of a bill, resulting from the study established in~~
4 ~~Substitute Senate Bill No. 5207, that makes available funding to~~
5 ~~support project expenditures funded from the freight congestion relief~~
6 ~~account created in Substitute Senate Bill No. 5207. If such a funding~~
7 ~~bill is not enacted by June 30, 2009, the entire freight congestion~~
8 ~~relief account state appropriation shall lapse.~~

9 (7)) (a) The department shall develop and implement the
10 benefit/impact evaluation methodology recommended in the statewide rail
11 capacity and needs study finalized in December 2006. The
12 benefit/impact evaluation methodology shall be developed using the
13 following priorities, in order of relative importance:

14 (i) Economic, safety, or environmental advantages of freight
15 movement by rail compared to alternative modes;

16 (ii) Self-sustaining economic development that creates family-wage
17 jobs;

18 (iii) Preservation of transportation corridors that would otherwise
19 be lost;

20 (iv) Increased access to efficient and cost-effective transport to
21 market for Washington's agricultural and industrial products;

22 (v) Better integration and cooperation within the regional,
23 national, and international systems of freight distribution; and

24 (vi) Mitigation of impacts of increased rail traffic on
25 communities.

26 (b) The department shall convene a work group to collaborate on the
27 development of the benefit/impact analysis method to be used in the
28 evaluation. The work group must include, at a minimum, the freight
29 mobility strategic investment board, the department of agriculture, and
30 representatives from the various users and modes of the state's rail
31 system.

32 (c) The department shall use the benefit/impact analysis and
33 priorities in (a) of this subsection when submitting requests for state
34 funding for rail projects. The department shall develop a standardized
35 format for submitting requests for state funding for rail projects that
36 includes an explanation of the analysis undertaken, and the conclusions
37 derived from the analysis.

1 (d) The department and the freight mobility strategic investment
2 board shall collaborate to submit a report to the office of financial
3 management and the transportation committees of the legislature by
4 September 1, 2008, listing proposed freight highway and rail projects.
5 The report must describe the analysis used for selecting such projects,
6 as required by this act for the department and as required by chapter
7 47.06A RCW for the board. When developing its list of proposed freight
8 highway and rail projects, the freight mobility strategic investment
9 board shall use the priorities identified in (a) of this subsection to
10 the greatest extent possible.

11 ~~((8) \$5,000,000 of the multimodal transportation account state
12 appropriation is reappropriated and provided solely for the costs of
13 acquisition of the PCC railroad associated with the memorandum of
14 understanding (MOU), which was executed between Washington state and
15 Watco. Total costs associated with the MOU shall not exceed
16 \$10,937,000.))~~

17 (7) The department shall apply at the earliest possible date for
18 grants, pursuant to the new competitive intercity rail grant program
19 announced by the federal railroad administration on February 19, 2008,
20 for any projects that may qualify for such federal grants and are
21 currently identified on the project list referenced in subsection
22 (1)(a) of this section.

23 (8) Up to \$8,500,000 of any underexpenditures of state funding
24 designated on the project list referenced in subsection (1)(a) of this
25 section for the "Vancouver-Rail Bypass and W 39th Street Bridge"
26 project may be used to upgrade, to class 2 condition, track owned by
27 Clark county between Vancouver and Battle Ground.

28 (9) Up to \$400,000 of the multimodal transportation account--state
29 appropriation is contingent upon the port of Chehalis submitting a full
30 copy of the FEMA application packet to the department in order to
31 assist the department in verifying the scope of the repairs and the
32 rail transportation value of the project identified on the project list
33 referenced in subsection (1)(a) of this section as "Port of
34 Chehalis-Track Rehabilitation" (F01002A).

35 **Sec. 311.** 2007 c 518 s 310 (uncodified) is amended to read as
36 follows:

1	FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--	
2	CAPITAL	
3	Highway Infrastructure Account--State Appropriation	\$207,000
4	Highway Infrastructure Account--Federal	
5	Appropriation	\$1,602,000
6	Freight Mobility Investment Account--State	
7	Appropriation	((\$12,500,000))
8		<u>\$12,378,000</u>
9	(Freight Congestion Relief Account--State	
10	Appropriation	\$46,720,000)
11	Transportation Partnership Account--State	
12	Appropriation	((\$2,906,000))
13		<u>\$3,906,000</u>
14	Motor Vehicle Account--State Appropriation	((\$9,854,000))
15		<u>\$12,870,000</u>
16	Motor Vehicle Account--Federal Appropriation	((\$60,150,000))
17		<u>\$63,823,000</u>
18	Freight Mobility Multimodal Account--State	
19	Appropriation	((\$12,100,000))
20		<u>\$12,750,000</u>
21	<u>Freight Mobility Multimodal Account--</u>	
22	<u>Private/Local Appropriation</u>	<u>\$3,755,000</u>
23	Multimodal Transportation Account--Federal	
24	Appropriation	((\$3,500,000))
25		<u>\$4,224,000</u>
26	Multimodal Transportation Account--State	
27	Appropriation	((\$33,158,000))
28		<u>\$32,134,000</u>
29	Transportation 2003 Account (Nickel Account)--State	
30	Appropriation	((\$2,706,000))
31		<u>\$2,721,000</u>
32	Passenger Ferry Account--State Appropriation	\$8,500,000
33	TOTAL APPROPRIATION	((\$193,903,000))
34		<u>\$158,870,000</u>

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

- 37 (1) The department shall, on a quarterly basis, provide status
38 reports to the legislature on the delivery of projects as outlined in

1 the project lists incorporated in this section. For projects funded by
2 new revenue in the 2003 and 2005 transportation packages, reporting
3 elements shall include, but not be limited to, project scope, schedule,
4 and costs. Other projects may be reported on a programmatic basis.
5 The department shall also provide the information required under this
6 subsection on a quarterly basis via the transportation executive
7 information system (TEIS).

8 (2) \$8,500,000 of the passenger ferry account--state appropriation
9 is provided solely for near and long-term costs of capital improvements
10 in a business plan approved by the governor for passenger ferry
11 service.

12 (3) The department shall seek the use of unprogrammed federal rail
13 crossing funds to be expended in lieu of or in addition to state funds
14 for eligible costs of projects in local programs, program Z capital.

15 (4) The department shall apply for surface transportation program
16 (STP) enhancement funds to be expended in lieu of or in addition to
17 state funds for eligible costs of projects in local programs, program
18 Z capital.

19 (5) Federal funds may be transferred from program Z to programs I
20 and P and state funds shall be transferred from programs I and P to
21 program Z to replace those federal funds in a dollar-for-dollar match.
22 Fund transfers authorized under this subsection shall not affect
23 project prioritization status. Appropriations shall initially be
24 allotted as appropriated in this act. The department may not transfer
25 funds as authorized under this subsection without approval of the
26 office of financial management. The department shall submit a report
27 on those projects receiving fund transfers to the office of financial
28 management and the transportation committees of the legislature by
29 December 1, 2007, and December 1, 2008.

30 (6) The city of Winthrop may utilize a design-build process for the
31 Winthrop bike path project. Of the amount appropriated in this section
32 for this project, \$500,000 of the multimodal transportation account--
33 state appropriation is contingent upon the state receiving from the
34 city of Winthrop \$500,000 in federal funds awarded to the city of
35 Winthrop by its local planning organization.

36 (7) (~~(\$7,000,000)~~) \$11,591,224 of the multimodal transportation
37 account--state appropriation, (~~(\$7,000,000)~~) \$8,640,239 of the motor
38 vehicle account--federal appropriation, and \$4,000,000 of the motor

1 vehicle account--federal appropriation are provided solely for the
2 pedestrian and bicycle safety program projects and safe routes to
3 schools program projects identified in the LEAP Transportation Document
4 2007-A, pedestrian and bicycle safety program projects and safe routes
5 to schools program projects as developed April 20, 2007. Projects must
6 be allocated funding based on order of priority. The department shall
7 review all projects receiving grant awards under this program at least
8 semiannually to determine whether the projects are making satisfactory
9 progress. Any project that has been awarded funds, but does not report
10 activity on the project within one year of the grant award, shall be
11 reviewed by the department to determine whether the grant should be
12 terminated. The department shall promptly close out grants when
13 projects have been completed, and identify where unused grant funds
14 remain because actual project costs were lower than estimated in the
15 grant award.

16 (8) Up to a maximum of \$5,000,000 of the multimodal transportation
17 account--state appropriation and up to a maximum of \$2,000,000 of the
18 motor vehicle account--federal appropriation are reappropriated for the
19 pedestrian and bicycle safety program projects and safe routes to
20 schools program projects identified in the LEAP transportation document
21 2006-B, pedestrian and bicycle safety program projects and safe routes
22 to schools program projects as developed March 8, 2006. Projects must
23 be allocated funding based on order of priority. The department shall
24 review all projects receiving grant awards under this program at least
25 semiannually to determine whether the projects are making satisfactory
26 progress. Any project that has been awarded funds, but does not report
27 activity on the project within one year of the grant award, shall be
28 reviewed by the department to determine whether the grant should be
29 terminated. The department shall promptly close out grants when
30 projects have been completed, and identify where unused grant funds
31 remain because actual project costs were lower than estimated in the
32 grant award.

33 (9) ~~((The entire freight congestion relief account state~~
34 ~~appropriation is contingent upon the enactment during the 2007-2009~~
35 ~~fiscal biennium of a bill, resulting from the study established in~~
36 ~~Substitute Senate Bill No. 5207, that makes available funding to~~
37 ~~support project expenditures funded from the freight congestion relief~~

1 ~~account created in Substitute Senate Bill No. 5207. If such a funding~~
2 ~~bill is not enacted by June 30, 2009, the entire freight congestion~~
3 ~~relief account state appropriation shall lapse.~~

4 ~~(10))~~ \$3,500,000 of the multimodal transportation account--federal
5 appropriation is provided solely for the Museum of Flight pedestrian
6 bridge safety project.

7 ~~((11))~~ (10) \$250,000 of the multimodal transportation account--
8 state appropriation is provided solely for the icicle rail station in
9 Leavenworth.

10 ~~((12))~~ (11) \$1,500,000 of the motor vehicle account--state
11 appropriation is provided solely for the Union Gap city road project.

12 ~~((13) \$350,000))~~ (12) \$250,000 of the motor vehicle account--state
13 appropriation is provided solely for the Saltwater state park bridge
14 project and off-site traffic control costs.

15 ~~((14))~~ (13) \$1,000,000 of the motor vehicle account--state
16 appropriation ~~((is))~~ and \$4,688,000 of the motor vehicle account--
17 federal appropriation are provided solely for the coal creek parkway
18 project.

19 ~~((15))~~ (14) \$250,000 of the multimodal transportation account--
20 state appropriation is provided solely for a streetcar feasibility
21 study in downtown Spokane.

22 ~~((16))~~ (15) \$500,000 of the motor vehicle account--~~((state))~~
23 federal appropriation is provided solely for ~~((the))~~ slide repairs
24 completed during 2007 and 2008 at or in the vicinity of marine view
25 drive bridge ~~((project))~~ on Marine View Drive and on Des Moines
26 Memorial Drive in Des Moines.

27 (16) \$1,100,000 of the motor vehicle account--state appropriation
28 is provided solely for local road improvements that connect to the I-82
29 valley mall boulevard project (5082010). Planned funding of an
30 additional \$2,000,000 shall be made available to this project in the
31 2009-11 biennium.

32 (17) \$2,400,000 of the motor vehicle account--state appropriation
33 is provided solely for completion of the riverside avenue extension
34 project in the city of Spokane.

35 (18) For the 2007-09 project appropriations, unless otherwise
36 provided in this act, the director of financial management may
37 authorize a transfer of appropriation authority between projects

1 managed by the freight mobility strategic investment board, in order
2 for the board to manage project spending and efficiently deliver all
3 projects in the respective program.

4 **TRANSFERS AND DISTRIBUTIONS**

5 **Sec. 401.** 2007 c 518 s 401 (uncodified) is amended to read as
6 follows:

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

11	Highway Bond Retirement Account Appropriation	((\$570,030,000))
12		<u>\$544,061,000</u>
13	Ferry Bond Retirement Account Appropriation	((\$38,059,000))
14		<u>\$37,380,000</u>
15	Transportation Improvement Board Bond Retirement	
16	Account--State Appropriation	((\$27,749,000))
17		<u>\$26,822,000</u>
18	Nondebt-Limit Reimbursable Account Appropriation	((\$19,359,000))
19		<u>\$13,059,000</u>
20	Transportation Partnership Account--State	
21	Appropriation	((\$6,694,000))
22		<u>\$1,823,000</u>
23	Motor Vehicle Account--State Appropriation	((\$986,000))
24		<u>\$457,000</u>
25	Transportation Improvement Account--State Appropriation	\$68,000
26	Multimodal Transportation Account--State	
27	Appropriation	((\$1,032,000))
28		<u>\$675,000</u>
29	Transportation 2003 Account (Nickel Account)--State	
30	Appropriation	((\$6,560,000))
31		<u>\$2,003,000</u>
32	Urban Arterial Trust Account--State Appropriation	((\$473,000))
33		<u>\$113,000</u>
34	Special Category C Account Appropriation	((\$160,000))
35		<u>\$99,000</u>
36	TOTAL APPROPRIATION	((\$671,170,000))

2 **Sec. 402.** 2007 c 518 s 402 (uncodified) is amended to read as
3 follows:

4 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
5 **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND**
6 **FISCAL AGENT CHARGES**

7	Transportation Partnership Account--State	
8	Appropriation	((\$2,254,000))
9		<u>\$243,000</u>
10	Motor Vehicle Account--State Appropriation	((\$329,000))
11		<u>\$61,000</u>
12	Transportation Improvement Account--State Appropriation	\$5,000
13	Multimodal Transportation Account--State Appropriation	((\$130,000))
14		<u>\$90,000</u>
15	Transportation 2003 Account (Nickel Account)--State	
16	Appropriation	((\$2,187,000))
17		<u>\$267,000</u>
18	Urban Arterial Trust Account--State Appropriation	\$38,000
19	Special Category C Account--State Appropriation	((\$53,000))
20		<u>\$13,000</u>
21	TOTAL APPROPRIATION	((\$4,996,000))
22		<u>\$717,000</u>

23 **Sec. 403.** 2007 c 518 s 403 (uncodified) is amended to read as
24 follows:

25 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
26 **BOND REGISTRATION AND TRANSFER CHARGES: FOR MVFT BONDS AND TRANSFERS**

27	((1)) Motor Vehicle Account--State Reappropriation:	
28	For transfer to the Tacoma Narrows Toll Bridge	
29	Account	((\$131,016,000))
30		<u>\$19,133,000</u>

31 The department of transportation is authorized to sell up to
32 ((~~\$131,016,000~~)) \$18,000,000 in bonds authorized by RCW 47.10.843 for
33 the Tacoma Narrows bridge project. Proceeds from the sale of the bonds
34 shall be deposited into the motor vehicle account. The department of
35 transportation shall inform the treasurer of the amount to be
36 deposited.

1 \$4,505,000

2 (2) License Plate Technology Account--State

3 Appropriation: For the Multimodal Transportation

4 Account--State \$4,500,000

5 (3) Motor Vehicle Account--State Appropriation:

6 For transfer to the High-Occupancy Toll Lanes Operations--

7 State Account \$3,000,000

8 (4) Motor Vehicle Account--State Appropriation:

9 For transfer to the Puget Sound Capital Construction

10 Account--State \$20,000,000

11 (5) Multimodal Transportation Account--State

12 Appropriation: For transfer to the Puget Sound

13 Ferry Operations Account--State ((~~\$39,000,000~~))

14 \$66,000,000

15 (6) Advanced Right-of-Way Revolving Account--State

16 Appropriation: For transfer to the Motor Vehicle

17 Account--State \$30,000,000

18 (7) Waste Tire Removal Account--State Appropriation:

19 For transfer to the Motor Vehicle Account--State \$5,600,000

20 (8) Motor Vehicle Account--State Appropriation:

21 (~~For transfer to the Transportation Partnership~~

22 ~~Account--State \$25,000,000~~)

23 For transfer to the Puget Sound Ferry Operations Account--

24 State \$3,000,000

25 ((~~+10~~)) (9) Multimodal Transportation Account--State

26 Appropriation: For transfer to the Transportation

27 Infrastructure Account--State ((~~\$7,000,000~~))

28 \$6,600,000

29 ((~~+11~~)) (10) Highway Safety Account--State Appropriation:

30 For transfer to the Multimodal Transportation

31 Account--State \$9,500,000

32 (11) Urban Arterial Trust Account--State Appropriation:

33 For transfer to the Small City Pavement and Sidewalk

34 Account--State \$1,400,000

35 (12) Multimodal Transportation Account--Federal

36 Appropriation: For transfer to the Transportation

37 Infrastructure Account--Federal \$1,000,000

1 The transfers identified in this section are subject to the
2 following conditions and limitations: (~~(a)~~) The amount transferred
3 in subsection (3) of this section may be spent only on "highway
4 purposes" as that term is construed in Article II, section 40 of the
5 Washington state Constitution.

6 **COMPENSATION**

7 **Sec. 501.** 2007 c 518 s 501 (uncodified) is amended to read as
8 follows:

9 **COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS.** The
10 appropriations for state agencies, are subject to the following
11 conditions and limitations:

12 (1)(a) The monthly employer funding rate for insurance benefit
13 premiums, public employees' benefits board administration, and the
14 uniform medical plan, shall not exceed \$707 per eligible employee for
15 fiscal year 2008. For fiscal year 2009 the monthly employer funding
16 rate shall not exceed (~~(\$732)~~) \$575 per eligible employee.

17 (b) In order to achieve the level of funding provided for health
18 benefits, the public employees' benefits board shall require any or all
19 of the following: Employee premium copayments, increases in
20 point-of-service cost sharing, the implementation of managed
21 competition, or make other changes to benefits consistent with RCW
22 41.05.065.

23 (c) The health care authority shall deposit any moneys received on
24 behalf of the uniform medical plan as a result of rebates on
25 prescription drugs, audits of hospitals, subrogation payments, or any
26 other moneys recovered as a result of prior uniform medical plan claims
27 payments, into the public employees' and retirees' insurance account to
28 be used for insurance benefits. Such receipts shall not be used for
29 administrative expenditures.

30 (2) The health care authority, subject to the approval of the
31 public employees' benefits board, shall provide subsidies for health
32 benefit premiums to eligible retired or disabled public employees and
33 school district employees who are eligible for medicare, pursuant to
34 RCW 41.05.085. From January 1, 2008, through December 31, 2008, the
35 subsidy shall be \$165.31. Starting January 1, 2009, the subsidy shall
36 be \$184.26 per month.

1 **Sec. 502.** 2007 c 518 s 502 (uncodified) is amended to read as
2 follows:

3 **COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE**
4 **BENEFITS.** The appropriations for state agencies, are subject to the
5 following conditions and limitations:

6 (1)(a) The monthly employer funding rate for insurance benefit
7 premiums, public employees' benefits board administration, and the
8 uniform medical plan, for represented employees outside the super
9 coalition under chapter 41.80 RCW, shall not exceed \$707 per eligible
10 employee for fiscal year 2008. For fiscal year 2009 the monthly
11 employer funding rate shall not exceed (~~(\$732)~~) \$575 per eligible
12 employee.

13 (b) In order to achieve the level of funding provided for health
14 benefits, the public employees' benefits board shall require any or all
15 of the following: Employee premium copayments, increases in
16 point-of-service cost sharing, the implementation of managed
17 competition, or make other changes to benefits consistent with RCW
18 41.05.065.

19 (c) The health care authority shall deposit any moneys received on
20 behalf of the uniform medical plan as a result of rebates on
21 prescription drugs, audits of hospitals, subrogation payments, or any
22 other moneys recovered as a result of prior uniform medical plan claims
23 payments, into the public employees' and retirees' insurance account to
24 be used for insurance benefits. Such receipts shall not be used for
25 administrative expenditures.

26 (2) The health care authority, subject to the approval of the
27 public employees' benefits board, shall provide subsidies for health
28 benefit premiums to eligible retired or disabled public employees and
29 school district employees who are eligible for medicare, pursuant to
30 RCW 41.05.085. From January 1, 2008, through December 31, 2008, the
31 subsidy shall be \$165.31. Starting January 1, 2009, the subsidy shall
32 be \$184.26 per month.

33 **Sec. 503.** 2007 c 518 s 503 (uncodified) is amended to read as
34 follows:

35 **COMPENSATION--REPRESENTED EMPLOYEES--SUPER COALITION.** Collective
36 bargaining agreements negotiated as part of the super coalition under
37 chapter 41.80 RCW include employer contributions to health insurance

1 premiums at 88% of the cost. Funding rates at this level are currently
2 \$707 per month for fiscal year 2008 and (~~(\$732)~~) \$575 per month for
3 fiscal year 2009. The agreements also include a one-time payment of
4 \$756 for each employee who is eligible for insurance for the month of
5 June, 2007, and is covered by a 2007-2009 collective bargaining
6 agreement pursuant to chapter 41.80 RCW, as well as continuation of the
7 salary increases that were negotiated for the twelve-month period
8 beginning July 1, 2006, and scheduled to terminate June 30, 2007.

9

MISCELLANEOUS

10 **Sec. 601.** RCW 46.68.110 and 2007 c 148 s 1 are each amended to
11 read as follows:

12 Funds credited to the incorporated cities and towns of the state as
13 set forth in RCW 46.68.090 shall be subject to deduction and
14 distribution as follows:

15 (1) One and one-half percent of such sums distributed under RCW
16 46.68.090 shall be deducted monthly as such sums are credited and set
17 aside for the use of the department of transportation for the
18 supervision of work and expenditures of such incorporated cities and
19 towns on the city and town streets thereof, including the supervision
20 and administration of federal-aid programs for which the department of
21 transportation has responsibility: PROVIDED, That any moneys so
22 retained and not expended shall be credited in the succeeding biennium
23 to the incorporated cities and towns in proportion to deductions herein
24 made;

25 (2) Thirty-three one-hundredths of one percent of such funds
26 distributed under RCW 46.68.090 shall be deducted monthly, as such
27 funds accrue, and set aside for the use of the department of
28 transportation for the purpose of funding the cities' share of the
29 costs of highway jurisdiction studies and other studies. Any funds so
30 retained and not expended shall be credited in the succeeding biennium
31 to the cities in proportion to the deductions made;

32 (3) One percent of such funds distributed under RCW 46.68.090 shall
33 be deducted monthly, as such funds accrue, to be deposited in the small
34 city pavement and sidewalk account, to implement the city hardship
35 assistance program, as provided in RCW 47.26.164. However, any moneys
36 so retained and not required to carry out the program under this

1 subsection as of July 1st of each odd-numbered year thereafter, shall
2 be retained in the account and used for maintenance, repair, and
3 resurfacing of city and town streets for cities and towns with a
4 population of less than five thousand.

5 (4) Except as provided in RCW 47.26.080, after making the
6 deductions under subsections (1) through (3) of this section and RCW
7 35.76.050, the balance remaining to the credit of incorporated cities
8 and towns shall be apportioned monthly as such funds accrue among the
9 several cities and towns within the state ratably on the basis of the
10 population last determined by the office of financial management.

11 NEW SECTION. Sec. 602. A new section is added to 2007 c 518
12 (uncodified) to read as follows:

13 Our ability to maintain and preserve the state's investment in
14 transportation is acknowledged to be related to the replacement cost of
15 the system, yet the state has no estimates of the entire system's cost
16 or replacement value. A large portion of the state's highway system
17 was developed prior to June 30, 1980, so it is important that the
18 inventory and valuation include all of the state's highway system
19 including the parts of the system constructed prior to June 30, 1980,
20 that is not required by governmental accounting standards board's
21 statement number 34. Consequently, the department of transportation,
22 in conjunction with the office of financial management, must implement
23 the governmental accounting standards board's statement number 34,
24 including a complete inventory and valuation of the state's highway
25 system's cost basis and replacement cost. During 2008, the cochairs of
26 the joint transportation committee shall select legislators to work
27 with the office of financial management and the department of
28 transportation. The purpose of the effort is to enhance decision
29 making that will result in strategic long-term investment decisions in
30 transportation capital project management and appropriate levels of
31 asset maintenance and preservation. The office of financial management
32 will coordinate and manage the complete inventory and the valuation of
33 the total state's highway system. The office of financial management
34 must submit a final report to the legislative transportation committees
35 on or before December 1, 2009.

1 of the legislature to make the funds appropriated in this section
2 available as grants to an intergovernmental entity or local rail
3 district for the purposes stated in this section at least until June
4 30, 2012, and to reappropriate as necessary any portion of the
5 appropriation in this section that is not used by June 30, 2009.

6 NEW SECTION. **Sec. 605.** A new section is added to 2007 c 518
7 (uncodified) to read as follows:

8 **SPECIAL APPROPRIATIONS TO THE GOVERNOR--INSURANCE ACCOUNTING SYSTEM**

9	Aeronautics Account--State Appropriation	\$2,000
10	State Patrol Highway Account--State Appropriation	\$338,000
11	Puget Sound Capital Construction Account--State	
12	Appropriation	\$24,000
13	Transportation Partnership Account--State Appropriation	\$44,000
14	Highway Safety Account--State Appropriation	\$120,000
15	Motor Vehicle Account--State Appropriation	\$882,000
16	Puget Sound Ferry Operating Account--State Appropriation	\$294,000
17	Urban Arterial Trust Account--State Appropriation	\$2,000
18	Transportation Improvement Account--State Appropriation	\$2,000
19	Department of Licensing Services Account--State	
20	Appropriation	\$2,000
21	Multimodal Transportation Account--State Appropriation	\$12,000
22	Tacoma Narrows Bridge Toll Account--State Appropriation	\$10,000
23	Transportation 2003 Account (Nickel Account)--State	
24	Appropriation	\$120,000
25	TOTAL APPROPRIATION	\$1,852,000

26 The appropriations in this section fund various state
27 transportation agencies to support the state insurance accounting
28 system. From the applicable accounts, the office of financial
29 management shall reduce allotments to the respective agencies by an
30 amount that conforms with the insurance accounting system special
31 appropriations enacted in the 2008 supplemental omnibus appropriations
32 act, Engrossed Substitute House Bill No. 2687 (chapter . . ., Laws of
33 2008). The allotment reductions under this section shall be placed in
34 reserve status and remain unexpended.

35 NEW SECTION. **Sec. 606.** If any provision of this act or its

1 application to any person or circumstance is held invalid, the
2 remainder of the act or the application of the provision to other
3 persons or circumstances is not affected.

4 NEW SECTION. **Sec. 607.** This act is necessary for the immediate
5 preservation of the public peace, health, or safety, or support of the
6 state government and its existing public institutions, and takes effect
7 immediately.

(End of bill)

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ESHB 2878 - CONF REPT
By Conference Committee

1 On page 1, line 1 of the title, after "appropriations;" strike the
2 remainder of the title and insert "amending RCW 46.68.110; amending
3 2007 c 518 ss 101, 102, 103, 104, 105, 106, 107, 201, 202, 203, 204,
4 205, 206, 207, 208, 209, 210, 212, 213, 214, 215, 216, 217, 218, 219,
5 220, 221, 222, 223, 224, 225, 226, 227, 301, 302, 303, 304, 305, 306,
6 307, 308, 309, 310, 401, 402, 403, 404, 405, 406, 407, 501, 502, 503,
7 and 713 (uncodified); adding new sections to 2007 c 518 (uncodified);
8 making appropriations and authorizing capital improvements; and
9 declaring an emergency."

--- END ---