

# HOUSE BILL REPORT

## SHB 2707

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As Passed Legislature

**Title:** An act relating to transportation improvement funding procedures.

**Brief Description:** Revising transportation improvement funding procedures.

**Sponsors:** By House Committee on Transportation (originally sponsored by Representatives R. Fisher and Johanson; by request of Transportation Improvement Board).

**Brief History:**

Reported by House Committee on:  
Transportation, February 3, 1994, DPS;  
Passed House, February 11, 1994, 96-0;  
Passed Legislature.

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### HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 25 members: Representatives R. Fisher, Chair; Brown, Vice Chair; Jones, Vice Chair; Schmidt, Ranking Minority Member; Mielke, Assistant Ranking Minority Member; Backlund; Brough; Cothorn; Eide; Finkbeiner; Forner; Fuhrman; Hansen; Heavey; Horn; Johanson; J. Kohl; Orr; Patterson; Quall; Romero; Sheldon; Shin; Wood and Zellinsky.

**Staff:** Roger Horn (786-7839).

**Background:** The Transportation Improvement Board (TIB) provides grants for transportation projects in urban areas and rural cities through its transportation improvement account (TIA), urban arterial trust account (UATA), and city hardship assistance account programs. TIB makes recommendations to the Legislature on requests to transfer the jurisdiction of any state, county or city road.

The UATA was created to fund projects to reduce congestion on Washington's urban arterial roads and streets. The program is funded by 1.53 cents of the gas tax. Urban and rural cities are eligible for UATA funding. The state is divided into five regions and funds are apportioned to the regions based on population, vehicle miles traveled, and needs. All administrative costs of the TIB are paid from

the UATA. Value engineering studies are required for UATA projects with a cost of \$1 million dollars or more. Cities and counties eligible for UATA funds are directed to establish a system of bicycle routes throughout their jurisdictions.

The TIA was established in 1988 to address economic development and population growth in urban areas and is funded with 1.5 cents of gas tax. Eighty-seven percent of TIA funding is allocated for urban projects in counties, cities of over 5,000 population, and transportation benefit districts. Thirteen percent of TIA funds are allocated to cities with a population of 5,000 or less.

Each year, cities and counties containing an urban area are required to submit six-year road funding programs to the TIB. Growth management legislation requires a six-year transportation element within local and comprehensive plans.

For TIB purposes, federal definitions for arterials and urban areas are used.

The state Transportation Commission requests bond issuance, sales, or retirement by the State Finance Committee on behalf of TIB.

**Summary of Bill:** A small city account (SCA) program that combines funding and programs contained in the TIA and the UATA programs is created.

Costs currently charged to the UATA are distributed between all four TIB programs.

The TIB six-year program requirements are revised to be consistent with the Growth Management Act.

Descriptions of intent for the UATA and SCA programs are added and the intent for the TIA program is revised.

The Department of Transportation is to determine the definition of "arterial" and "urban area" in cooperation with TIB and other agencies.

Language regarding distribution of UATA funds is removed. TIB is given rule-making authority regarding geographical distribution of UATA and SCA funds.

TIB is directed to adopt rules and procedures to encourage the development of bicycle route systems within local jurisdictions.

The requirement that a value engineering study be completed for projects costing \$1 million or more is deleted. TIB is directed to develop rules regarding value engineering studies.

The TIB may request the State Finance Committee to issue, sell or retire TIB bonds. TIB must notify the Transportation Commission of bond sales requests.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** The bill brings TIB statutes into conformance with recent legislation. The new small city account program will allow for improved service to small cities.

**Testimony Against:** None.

**Witnesses:** Jerry Fay, Transportation Improvement Board; Al Ogdon, Transportation Improvement Board; and Denny Ingham, Department of Transportation.