

2 **ESSB 6456** - H COMM AMD **ADOPTED**

3 By Committee on Transportation Policy & Budget

4

5 Strike everything after the enacting clause and insert the
6 following:

7 **"LEGISLATIVE INTENT FOR 1998 TRANSPORTATION BUDGET**

8 NEW SECTION. **Sec. 1.** PURPOSE OF ENHANCED STATE AND LOCAL
9 TRANSPORTATION FUNDING PROGRAM. (1) The legislature finds and declares
10 that it is essential for the economic, social and environmental well-
11 being of the state and the maintenance of a high quality of life that
12 the people of the state have an efficient and effective transportation
13 system.

14 (2) This act provides funding, beyond that already provided in the
15 1997-99 biennium, from currently available revenue that is needed to
16 prepare for and advance the timely construction of essential
17 transportation projects and improve transportation services in
18 preparation for meeting the following objectives:

19 (a) Investment strategies that deal equitably with the
20 transportation needs of both eastern and western Washington and local
21 governments, critical to maintaining and expanding essential
22 multimodal, motorized and nonmotorized, urban, suburban and rural
23 transportation programs and systems;

24 (b) Cost-effective funding strategies that address the most
25 critical state-wide transportation needs for: Highway congestion
26 relief, economic development and freight mobility, highway safety and
27 bridge improvements, flood mitigation and fish passages, local
28 government funding, ferry system capital improvements, and passenger
29 and freight rail capital improvements; and

30 (c) Greater reliance on funding partnerships between the public and
31 private sectors to leverage the state's investment and assign
32 transportation project costs to the entities to which benefits accrue.

33 (3) State and federal fiscal constraints have resulted in
34 sprinkling limited resources over a wide variety of costly, critical
35 transportation needs. This fragmented approach has hindered the

1 development of a multimodal, state-wide system; failed to address
2 regional transportation improvements essential to addressing
3 congestion, expanding local economies, and maintaining environmental
4 quality; and created competition for transportation dollars among
5 various public beneficiaries. A legislative solution that addresses
6 long-term funding for critical transportation priorities is highly
7 dependent on public and private stakeholders coalescing to: Identify
8 and prioritize those critical elements that must be addressed if the
9 state is to continue to provide a transportation system that offers the
10 level of safe, unfettered travel and economic and environmental well-
11 being Washington's citizens expect and deserve; develop a funding
12 strategy for the future that provides adequacy and reliability; and
13 develop policy and program changes that will ensure the timely, cost-
14 effective delivery of transportation programs, projects, and services.

1 PART I

2 GENERAL GOVERNMENT AGENCIES--OPERATING

3 Sec. 101. 1997 c 457 s 101 (uncodified) is amended to read as
4 follows:

5 FOR THE DEPARTMENT OF AGRICULTURE

6 Motor Vehicle Fund--State Appropriation \$ ((304,000))
7 314,000

8 The appropriation in this section is subject to the following
9 conditions and limitations and specified amounts are provided solely
10 for that activity:

11 (1) The department of agriculture shall report to the legislative
12 transportation committee by January 15, 1998, and January 15, 1999, on
13 the number of fuel samples tested and the findings of the tests for the
14 motor fuel quality program.

15 (2) \$10,000 of this appropriation is provided solely for laboratory
16 analysis of diesel fuel samples taken from retailers selling diesel
17 fuel. The purpose of this testing is to detect the possible presence
18 of illegally-blended diesel fuel.

19 Sec. 102. 1997 c 457 s 108 (uncodified) is amended to read as
20 follows:

21 FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

22 Motor Vehicle Fund--State Appropriation \$ ((252,000))
23 126,000

24 The appropriation in this section is subject to the following
25 conditions and limitations and specified amounts are provided solely
26 for that activity: The entire appropriation is for the contracted
27 staff at the Gateway Visitor Information Centers, and may not be used
28 for any other purpose.

29 Sec. 103. 1997 c 457 s 107 (uncodified) is amended to read as
30 follows:

31 FOR THE OFFICE OF FINANCIAL MANAGEMENT

32 Motor Vehicle Fund--State Appropriation \$ ((116,000))
33 58,000

1 The appropriation in this section is subject to the following
2 conditions and limitations and specified amounts are provided solely
3 for that activity: The entire amount is provided as funding to the
4 office of financial management for a policy and budget analyst for the
5 transportation agencies.

6 (End of part)

PART II
TRANSPORTATION AGENCIES

Sec. 201. 1997 c 457 s 201 (uncodified) is amended to read as follows:

FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway Safety Fund--State Appropriation	\$	((491,000))
		<u>741,000</u>
Highway Safety Fund--Federal Appropriation	\$	5,216,000
Transportation Fund--State Appropriation	\$	950,000
TOTAL APPROPRIATION	\$	((6,657,000))
		<u>6,907,000</u>

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) The transportation fund--state appropriation includes \$900,000 to fund community DUI task forces. Funding from the transportation fund for any community DUI task force may not exceed twenty-five percent of total expenditures in support of that task force.

(2) \$50,000 of the transportation fund--state appropriation is provided to support local law enforcement implementing the drug recognition expert (DRE) and drugged driving programs. Any funds not required for the DRE program may be used for programs related to heavy trucks that improve safety and enforcement of Washington state laws.

(3) \$250,000 of the highway safety fund--state appropriation is provided solely to advertise the changes to the DUI statutes enacted by the 1998 legislature. This appropriation shall lapse if changes to the DUI statutes are not enacted by June 30, 1998.

Sec. 202. 1997 c 457 s 205 (uncodified) is amended to read as follows:

FOR THE LEGISLATIVE TRANSPORTATION COMMITTEE

Motor Vehicle Fund--State Appropriation	\$	((2,822,000))
		<u>3,822,000</u>
Transportation Fund--State Appropriation	\$	((200,000))
		<u>250,000</u>
<u>Central Puget Sound Public Transportation</u>		

1	<u>Account--State Appropriation</u>	\$	100,000
2	TOTAL APPROPRIATION	\$	((3,022,000))
3			<u>4,172,000</u>

4 The appropriations in this section are subject to the following
5 conditions and limitations and specified amounts are provided solely
6 for that activity:

7 (1) In order to meet the growing demand for services the
8 legislative transportation committee shall seek accountability and
9 efficiencies within transportation agency programs through in-depth
10 program evaluations. These program evaluations shall consider:

11 (a) Whether or not strategic planning and performance-based
12 budgeting is a preferable planning and budgeting tool to the current
13 incremental budgeting process for agency administrative programs and
14 capital program budgeting;

15 (b) How the programs are performing currently and how service would
16 be affected at different funding levels using performance measures; and

17 (c) What decision-making tools aid with the budgeting and oversight
18 of these programs, such as tools developed during the maintenance
19 accountability program (MAP) conducted by the legislative
20 transportation committee during the 1995-97 biennium.

21 (2) In consultation with other legislative committees, the
22 legislative transportation committee shall study ways to enhance budget
23 development tools and presentation documents that will better
24 illustrate agencies' full appropriation authority and the intended
25 outcomes of the appropriation.

26 (3) The legislative transportation committee shall conduct an
27 evaluation of services provided by the county road administration
28 board, the transportation improvement board and the TransAid division
29 within the department of transportation. The evaluation shall assess
30 whether consolidation of any of these activities will result in
31 efficiencies and improved service delivery. The evaluation shall also
32 assess the funding structure of these organizations to determine
33 whether there are any benefits gained from a more simplified structure.
34 The evaluation shall also assess other funding authorities to see if
35 there is potential for further expansion of these revenues. The
36 committee shall report its findings and recommendations to the 1998
37 legislature and, if needed, prepare legislation to implement those
38 recommendations. \$150,000 of the motor vehicle fund--state
39 appropriation is provided for this evaluation.

1 (4) The legislative transportation committee, in cooperation with
2 the house appropriations committee, the senate ways and means
3 committee, and the office of financial management, shall study and
4 report to the legislature its findings regarding the process and
5 procedures for calculation, determination, and collection of the
6 amounts of motor vehicle excise tax (MVET) collected on the sale or
7 lease of motor vehicles in this state. The report shall include
8 findings as to the base amount for calculation of MVET, the
9 amortization schedule for calculation of MVET, and adequacy and
10 efficiency of current systems to provide accurate and timely
11 information to those responsible for determining and collecting the
12 MVET due, including recommendations for determining the MVET due for
13 current and future multiple MVET tax structures. The report must also
14 include a status report as to the progress and feasibility of using
15 third party information providers or using private vendors to collect
16 the MVET. \$200,000 of the transportation fund--state appropriation is
17 provided for this evaluation including the use of a consultant. This
18 \$200,000 amount is null and void if an appropriation for this activity
19 is enacted in any other appropriations bill by June 30, 1997.

20 (5) During the 1998 interim, the legislative transportation
21 committee shall conduct a study relating to interagency reimbursements,
22 cost allocations, debt service authorizations, and other budget
23 accountability issues.

24 (6) The legislative transportation committee shall study and report
25 to the legislature its findings regarding the design-build method of
26 contracting. The report shall include findings as to opportunities
27 where it might be appropriate to use design-build, the type of process
28 to be used, and the budget savings potential to the state from the
29 design-build method of contracting.

30 (7) The legislative transportation committee shall study the
31 economic and transportation impact of a draw-down of the Columbia/Snake
32 river. At a minimum, the study should address the following issues:
33 (a) Impacts on alternate transportation modes: State and local road
34 deterioration, congestion, safety, rail, and truck capacity; (b)
35 impacts to producers, growers, and shippers, such as access to markets
36 and transportation costs; (c) impacts to river, such as transportation,
37 jobs, and businesses; and (d) impacts on the state's export sales.

38 (8) \$1,000,000 of the motor vehicle fund--state appropriation is
39 provided solely for the following purpose: By June 1, 1998, the

1 legislature and the governor shall convene a panel of transportation
2 beneficiaries to conduct a comprehensive analysis of state-wide
3 transportation needs and priorities; existing and potential
4 transportation funding mechanisms, and the policies and practices of
5 governmental entities, private businesses, and labor that affect the
6 delivery of transportation programs and projects. By May 1, 1998, the
7 speaker of the house of representatives and the majority leader of the
8 senate shall appoint two members from each caucus of the house of
9 representatives and senate and the governor shall appoint individuals
10 representing, at a minimum, the following entities: The governor;
11 state agencies whose policies, practices, and procedures have a direct
12 impact on the delivery of transportation programs, projects, and
13 services; cities; counties; regional transportation planning
14 organizations; ports; passenger rail; light density freight rail;
15 transit agencies; the trucking industry; the steamship industry; major
16 employers; the retail industry; agricultural business; labor;
17 contractors; and the general public.

18 The panel shall evaluate and make recommendations on the following
19 elements:

20 (a) The critical state and local transportation projects, programs,
21 and services needed to achieve an efficient, effective, state-wide,
22 multimodal transportation system that supports the state's social,
23 economic, and environmental well being;

24 (b) A realistic, achievable plan for funding transportation
25 programs, projects, and services over the next twenty years;

26 (c) The relationship between state and local government agencies in
27 delivering transportation programs, projects, and services and changes
28 in the ways such agencies interact that are necessary to achieve a more
29 efficient and effective delivery of transportation programs, projects,
30 and services;

31 (d) The role of the transportation commission and regional
32 transportation planning organizations in determining state and local
33 transportation needs and priorities;

34 (e) Federal and state labor laws that impact the cost and efficient
35 delivery of transportation programs, projects, and services;

36 (f) The process and procedures needed to implement managed
37 competition in contracting out transportation projects and services;

38 (g) Business operational practices that impact the cost and timely
39 delivery of freight and goods;

1 (h) A public involvement and outreach process to assess public
2 attitudes about transportation priorities, funding, and project,
3 program, and service delivery; and

4 (i) Other elements and issues as directed by the panel.

5 The panel shall provide quarterly progress reports to the governor,
6 the legislative transportation committee, and the house of
7 representatives and senate fiscal committees and shall report its final
8 findings and recommendations by December 1, 2000.

9 (9) Up to \$100,000 of the central Puget Sound public transportation
10 account--state appropriation and up to \$50,000 of the transportation
11 fund--state appropriation are provided solely for a contracted
12 performance and management audit of selected public transportation
13 systems to ascertain the relative effectiveness and efficiency of those
14 systems and, where appropriate, provide recommendations that would
15 improve efficiency and effectiveness. The audit shall also determine
16 the accuracy of the information contained in the annual public
17 transportation systems report published by the department of
18 transportation.

19 **Sec. 203.** 1997 c 457 s 208 (uncodified) is amended to read as
20 follows:

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

22 Motor Vehicle Fund--State Patrol Highway

23 Account--State Appropriation \$ ((159,108,000))
24 163,789,000

25 Motor Vehicle Fund--State Patrol Highway

26 Account--Federal Appropriation \$ 4,374,000

27 Motor Vehicle Fund--State Patrol Highway

28 Account--Local Appropriation \$ 170,000

29 Transportation Fund--State Appropriation \$ ((8,961,000))

30 4,522,000

31 TOTAL APPROPRIATION \$ ((172,613,000))

32 172,855,000

33 The appropriations in this section are subject to the following
34 conditions and limitations and specified amounts are provided solely
35 for that activity:

36 (1) The Washington state patrol is authorized to use the federal
37 community oriented policing program (COPS) for 54 troopers with 18 COPS

1 troopers to begin in July 1998 and 36 COPS troopers to begin in January
2 1999.

3 (2) ~~\$(8,200,000))~~ 4,463,000 of the transportation fund--state
4 appropriation ~~((is))~~ and \$3,737,000 of the motor vehicle fund--state
5 patrol highway account--state appropriation are provided for an
6 equalization salary adjustment of three percent on July 1, 1997, and
7 six percent on July 1, 1998, for commissioned officers (entry level
8 trooper through captain), commercial vehicle enforcement officers, and
9 communication officers of the Washington state patrol. The salary
10 adjustments are intended to bring the existing salary levels into the
11 fiftieth percentile of other Washington state law enforcement
12 compensation plans. This is in addition to the salary increase
13 contained in the omnibus appropriation bill or bills. The total of the
14 two increases, in the transportation budget and omnibus appropriation
15 bill or bills, may not exceed twelve percent.

16 (3) The Washington state patrol will develop a vehicle replacement
17 plan for the next six years. The plan will include an analysis of the
18 current 100,000 miles replacement policy and agency assignment policy.
19 Projected future budget requirements will include forecasts of vehicle
20 replacement costs, vehicle equipment costs, and estimated surplus
21 vehicle values when sold at auction.

22 (4) The Washington state patrol vessel and terminal security (VATS)
23 program will be funded by the state patrol highway fund beginning July
24 1, 1997, and into future biennia.

25 (5) A personnel data base will be maintained of the 801
26 commissioned traffic law enforcement officers, with a reconciliation at
27 all times to the patrol allocation model and a vehicle assignment and
28 replacement plan.

29 (6) \$150,000 of the state patrol highway account appropriation is
30 to fund the Washington state patrol's portion of the drug recognition
31 expert training program previously funded by the traffic safety
32 commission.

33 (7) The Washington state patrol with legislative transportation
34 committee staff will perform an interim study of the Washington state
35 patrol's commercial vehicle enforcement program with a report to be
36 presented to the legislature and office of financial management in
37 January 1998 with a developed business plan and program recommendations
38 which includes, but is not limited to, weigh in motion technologies.

1 (8)(a) The Washington state patrol, in consultation with the
2 Washington traffic safety commission, shall conduct an analysis of the
3 most effective safety devices for preventing accidents while delivery
4 trucks are operating in reverse gear. The analysis shall focus on
5 trucks equipped with cube-style, walk-in cargo boxes, up to eighteen
6 feet long, that are most commonly used in the commercial delivery of
7 goods and services.

8 (b) The state patrol shall incorporate research and analysis
9 currently being conducted by the national highway traffic safety
10 administration.

11 (c) Upon completion of the analysis, the state patrol shall forward
12 its recommendations to the legislative transportation committee and
13 office of financial management.

14 (9) (~~(\$761,000)~~) \$381,000 of the transportation fund--state
15 appropriation is provided for the following traditional general fund
16 purposes: The governor's air travel, the license fraud program, and
17 the special services unit. This transportation fund--state
18 appropriation is not a permanent funding source for these purposes.

19 (10) \$461,000 of the state patrol highway account appropriation is
20 provided solely for monitoring and stopping fuel tax evasion. The
21 Washington state patrol will report on December 1, 1998, to the
22 legislative transportation committee on the activities and revenue
23 collected associated with fuel tax evasion.

24 (11) \$289,000 of the state patrol highway account appropriation is
25 provided solely for vehicle license fraud investigation. A report will
26 be presented each session to the legislature on the activities and
27 revenue collected by the vehicle license fraud unit.

28 (12) \$268,000 of the motor vehicle fund--state patrol highway
29 account is provided solely to cover the employer's share of medicare
30 premiums for commissioned officers hired prior to 1986. If a
31 referendum of these officers does not receive majority support this
32 appropriation shall not be expended by the state patrol.

33 (13) The chief of the Washington state patrol is prohibited from
34 using any of the funding provided in chapter 457, Laws of 1997 and this
35 act to increase salaries for positions above the rank of captain.

36 **Sec. 204.** 1997 c 457 s 209 (uncodified) is amended to read as
37 follows:

38 **FOR THE WASHINGTON STATE PATROL--INVESTIGATIVE SERVICES BUREAU**

1 Transportation Fund--State Appropriation \$ ((6,317,000))
 2 3,133,000

3 The appropriation in this section is subject to the following
 4 conditions and limitations and specified amounts are provided solely
 5 for that activity: The appropriation in this section is for the
 6 following traditional general fund purposes: Crime laboratories, used
 7 primarily for local law enforcement purposes; ACCESS, the computer
 8 system linking all law enforcement and criminal justice agencies in the
 9 state to one another; and, the identification section, which is
 10 responsible for performing criminal background checks. This
 11 appropriation is not a permanent funding source for these purposes.

12 **Sec. 205.** 1997 c 457 s 210 (uncodified) is amended to read as
 13 follows:

14 **FOR THE WASHINGTON STATE PATROL--SUPPORT SERVICES BUREAU**

15 Motor Vehicle Fund--State Patrol Highway
 16 Account--State Appropriation \$ ((55,961,000))
 17 52,926,000
 18 Motor Vehicle Fund--State Patrol Highway
 19 Account--Federal Appropriation \$ 104,000
 20 Transportation Fund--State Appropriation \$ ((4,965,000))
 21 2,513,000
 22 TOTAL APPROPRIATION \$ ((61,030,000))
 23 55,543,000

24 The appropriations in this section are subject to the following
 25 conditions and limitations and specified amounts are provided solely
 26 for that activity:

27 (1) \$1,017,000 for the state patrol highway account--state
 28 appropriation is provided solely for year 2000 conversions of
 29 transportation automated systems. For purposes of this subsection,
 30 transportation automated systems does not include WASIS and WACIS.

31 (2) \$50,000 of the state patrol highway account--state
 32 appropriation is provided solely for a feasibility study to assess the
 33 effect of mobile computers on trooper productivity by type of service
 34 and measurement of the productivity gains achieved through reduction in
 35 administrative time and paperwork processing. The agency shall submit
 36 a copy of the proposed study workplan to the office of financial
 37 management, the department of information services, and the legislative

1 transportation committee no later than October 1, 1997. A final report
2 shall be submitted to the legislative transportation committee, the
3 office of financial management, and the department of information
4 services no later than January 31, 1998. This project is subject to
5 the provisions of section 502 of this act.

6 (3) \$50,000 of the state patrol highway account--state
7 appropriation is provided solely for a review of the feasibility of
8 improving the patrol's computer-aided dispatch system to permit
9 tracking of trooper availability and response time to calls for
10 service. The agency shall submit a copy of the proposed study workplan
11 to the office of financial management, the department of information
12 services, and the legislative transportation committee no later than
13 October 1, 1997. A final report shall be submitted to the legislative
14 transportation committee, the office of financial management, and the
15 department of information services no later than January 31, 1998.
16 This project is subject to the provisions of section 502 of this act.

17 (4) These appropriations maintain current level funding for the
18 Washington state patrol service center and have no budget savings
19 included for a consolidation of service centers based on the study
20 conducted by the technology management group. During the 1997 interim,
21 the costs for current level will be reviewed by the office of financial
22 management and department of information services with a formal data
23 center recommendation, that has been approved by the information
24 services board, to the legislature in January 1998. Current level
25 funding will be split between fiscal year 1998 and fiscal year 1999
26 with consideration of funding adjustments based on the review and the
27 formal policy and budget recommendations.

28 (5) (~~(\$4,965,000)~~) \$2,513,000 of the transportation fund--state
29 appropriation is for the following traditional general fund purposes:
30 The executive protection unit, revolving fund charges, budget and
31 fiscal services, computer services, personnel, human resources,
32 administrative services, and property management. This appropriation
33 is not a permanent funding source for these purposes.

34 (6) \$22,000 of the motor vehicle fund--state patrol highway account
35 appropriation is provided solely to cover the employer's share of
36 medicare premiums for commissioned officers hired prior to 1986. If a
37 referendum of these officers does not receive majority support this
38 appropriation shall not be expended by the state patrol.

1 (7) The 1998 Washington state patrol interim working group shall
 2 review the data center, electronic services division, communications
 3 division, and strategic planning and shall provide recommendations on
 4 increasing the effectiveness and efficiencies of the programs under
 5 review and audit.

6 (8) \$1,580,000 of the state patrol highway account--state
 7 appropriation is provided solely for the transition of the Washington
 8 state patrol mainframe data processing functions to the Washington
 9 state department of information services data center in Olympia,
 10 Washington. The Washington state patrol and the department of
 11 information services shall work cooperatively to ensure the transition
 12 to the department of information services is completed successfully.

13 **Sec. 206.** 1997 c 457 s 211 (uncodified) is amended to read as
 14 follows:

15 **FOR THE DEPARTMENT OF LICENSING--MANAGEMENT AND SUPPORT SERVICES**

16 Highway Safety Fund--Motorcycle Safety Education

17 Account--State Appropriation	\$	((77,000))
		<u>120,000</u>
19 State Wildlife Account--State Appropriation	\$	((57,000))
		<u>52,000</u>
21 Highway Safety Fund--State Appropriation	\$	((5,538,000))
		<u>6,047,000</u>
23 Motor Vehicle Fund--State Appropriation	\$	((4,501,000))
		<u>4,624,000</u>
25 Transportation Fund--State Appropriation	\$	((900,000))
		<u>605,000</u>
27 TOTAL APPROPRIATION	\$	((11,073,000))
		<u>11,448,000</u>

29 The appropriations in this section are subject to the following
 30 conditions and limitations and specified amounts are provided solely
 31 for that activity: The agency is directed to develop a proposal for
 32 implementing alternative approaches to delivering agency services to
 33 the public. The alternative approaches may include the use of credit
 34 card payment for telephone or use of the internet for renewals of
 35 vehicle registrations. The proposal shall also include collocated
 36 services for greater convenience to the public. The agency shall
 37 submit a copy of the proposal to the legislative transportation

1 committee and to the office of financial management no later than
2 December 1, 1997.

3 **Sec. 207.** 1997 c 457 s 212 (uncodified) is amended to read as
4 follows:

5 **FOR THE DEPARTMENT OF LICENSING--INFORMATION SYSTEMS**

6 Highway Safety Fund--Motorcycle Safety Education

7 Account--State Appropriation \$ ((2,000))
8 94,000

9 General Fund--Wildlife Account--State

10 Appropriation \$ ((123,000))
11 42,000

12 Highway Safety Fund--State Appropriation \$ ((4,396,000))
13 10,732,000

14 Motor Vehicle Fund--State Appropriation \$ ((5,858,000))
15 5,610,000

16 Transportation Fund--State Appropriation \$ ((1,190,000))
17 441,000

18 TOTAL APPROPRIATION \$ ((11,569,000))
19 16,919,000

20 The appropriations in this section are subject to the following
21 conditions and limitations and specified amounts are provided solely
22 for that activity:

23 (1) \$2,498,000 of the highway safety fund--state appropriation and
24 \$793,000 of the motor vehicle fund--state appropriation are provided
25 for the following activities: (1) Identify business objectives and
26 needs relating to technology improvements and integration of the
27 drivers' licensing and vehicle title and registrations systems; (2)
28 converting the drivers' licensing software applications to achieve Year
29 2000 compliance; (3) convert the drivers' field network from a uniscope
30 to a frame-relay network; (4) develop an interface between the unisys
31 system and the CRASH system; and (5) operate and maintain the highways-
32 licensing building network and the drivers' field network.

33 (2) \$1,769,000 of the highway safety fund--state appropriation and
34 \$875,000 of the motor vehicle fund--state appropriation are provided to
35 implement the following business and technology assessment project
36 recommendations contained in the feasibility study delivered to the
37 legislature in January 1998: (a) Search and Query, option 2 and; (b)
38 licensing service office improvements, option 2. If the driver's

1 license fee increase contained in sections 6 and 7 of Engrossed
2 Substitute House Bill No. 2730 is not enacted by June 30, 1998, the
3 amounts provided in this subsection shall lapse.

4 **Sec. 208.** 1997 c 457 s 213 (uncodified) is amended to read as
5 follows:

6 **FOR THE DEPARTMENT OF LICENSING--VEHICLE SERVICES**

7 General Fund--Marine Fuel Tax Refund Account--

8 State Appropriation \$ 26,000

9 General Fund--Wildlife Account--State

10 Appropriation \$ 549,000

11 Motor Vehicle Fund--State Appropriation \$ ((50,003,000))

12 49,630,000

13 Department of Licensing Services Account--

14 State Appropriation \$ 2,944,000

15 TOTAL APPROPRIATION \$ ((53,522,000))

16 53,149,000

17 The appropriations in this section are subject to the following
18 conditions and limitations and specified amounts are provided solely
19 for that activity:

20 (1) \$600,000 of the licensing service account--state appropriation
21 is provided for replacement of printers for county auditors and
22 subagents.

23 (2) The department of licensing, in cooperation with the fuel tax
24 advisory committee, shall prepare and submit a report to the
25 legislative transportation committee containing recommendations for
26 special fuel and motor vehicle fuel recordkeeping and reporting
27 requirements, including but not limited to recommendations regarding
28 the form and manner in which records and tax reports must be maintained
29 and made available to the department; which persons engaged in the
30 business of selling, purchasing, distributing, storing, transporting,
31 or delivering fuel should be required to submit periodic reports
32 regarding the disposition of such fuel; and the feasibility of
33 implementing an automated fuel tracking system. The report is due no
34 later than October 31, 1997.

35 (3) The department of licensing, in cooperation with
36 representatives of local governments and the department of revenue
37 shall analyze the collection of the local option fuel tax under RCW
38 82.80.010. Based on that analysis the department of licensing shall

1 offer recommendations regarding the appropriate government entity to
2 collect the local option fuel tax and the best method to accomplish
3 that collection. The department of licensing shall report its findings
4 and recommendations to the legislative transportation committee and the
5 office of financial management by December 1, 1998.

6 (4) The department of licensing, in conjunction with the
7 interagency commission on outdoor recreation, the department of
8 transportation, and other affected entities, shall conduct a study and
9 make recommendations regarding:

10 (a) Whether the study required by RCW 43.99.030 to determine what
11 portion of the motor vehicle fuel tax collected is tax on marine fuel
12 is an effective and efficient mechanism for determining what portion of
13 fuel tax revenues should be refunded to the marine fuel tax refund
14 account;

15 (b) Other possible methodologies for determining the appropriate
16 amount of tax revenue to refund from the motor vehicle fund to the
17 marine tax refund account; and

18 (c) Whether the tax on fuel used by illegally nonregistered boats
19 should be refunded to the marine tax refund account.

20 The department of licensing shall make a report of its findings and
21 recommendations to the legislative transportation committee and the
22 office of financial management by December 1, 1998.

23 (5) \$382,000 of the motor vehicle fund--state appropriation is
24 provided solely to implement Substitute House Bill No. 2659. If
25 Substitute House Bill No. 2659 is not enacted by June 30, 1998, this
26 amount shall lapse.

27 **Sec. 209.** 1997 c 457 s 214 (uncodified) is amended to read as
28 follows:

29 **FOR THE DEPARTMENT OF LICENSING--DRIVER SERVICES**

30 Highway Safety Fund--Motorcycle Safety Education

31 Account--State Appropriation \$ ((1,160,000))

32 1,411,000

33 Highway Safety Fund--State Appropriation \$ ((61,087,000))

34 57,716,000

35 Transportation Fund--State Appropriation \$ 4,985,000

36 TOTAL APPROPRIATION \$ ((67,232,000))

37 64,112,000

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

3 (1) \$225,000 of the highway safety account--state appropriation is
4 provided solely to implement Substitute House Bill No. 2442 or Senate
5 Bill No. 6190. If neither bill is enacted by June 30, 1998, this
6 amount shall lapse.

7 (2) \$480,000 of the highway safety account--state appropriation is
8 provided solely to implement Senate Bill No. 6165. If Senate Bill No.
9 6165 is not enacted by June 30, 1998, this amount shall lapse.

10 (3) \$117,000 of the highway safety account--state appropriation is
11 provided solely to implement House Bill No. 3054. If House Bill No.
12 3054 is not enacted by June 30, 1998, this amount shall lapse.

13 (4) \$80,000 of the highway safety account--state appropriation is
14 provided solely to implement House Bill No. 2730. If House Bill No.
15 2730 is not enacted by June 30, 1998, this amount shall lapse.

16 (5) \$124,000 of the highway safety account--state appropriation is
17 provided solely to implement Senate Bill No. 6591. If Senate Bill No.
18 6591 is not enacted by June 30, 1998, this amount shall lapse.

19 (6) \$1,000,000 of the highway safety account--state appropriation
20 is provided solely to implement 1998 legislation that changes statutes
21 relating to driving under the influence. If legislation changing the
22 DUI statutes is not enacted by June 30, 1998, this amount shall lapse.

23 **Sec. 210.** 1997 c 457 s 216 (uncodified) is amended to read as
24 follows:

25	FOR THE DEPARTMENT OF TRANSPORTATION--AVIATION--PROGRAM F	
26	Transportation Fund--Aeronautics Account--State	
27	Appropriation	\$ ((3,301,000))
28		<u>3,801,000</u>
29	Transportation Fund--Aeronautics Account--Federal	
30	Appropriation	\$ 1,000
31	Aircraft Search and Rescue, Safety, and Education	
32	Account--State Appropriation	\$ ((170,000))
33		<u>190,000</u>
34	Transportation Account--State Appropriation . . .	\$ 250,000
35	TOTAL APPROPRIATION	\$ ((3,722,000))
36		<u>4,242,000</u>

1 **Sec. 211.** 1997 c 457 s 217 (uncodified) is amended to read as
2 follows:

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

4	Motor Vehicle Fund--Economic Development Account--	
5	State Appropriation	\$ 2,434,000
6	Motor Vehicle Fund--State Appropriation	\$ (113,341,000)
7		<u>115,275,000</u>
8	Motor Vehicle Fund--Federal Appropriation	\$ (130,485,000)
9		<u>155,485,000</u>
10	Motor Vehicle Fund--Private/Local	
11	Appropriation	\$ 40,000,000
12	Special Category C Account--State Appropriation	\$ (78,600,000)
13		<u>73,271,000</u>
14	Transportation Fund--State Appropriation	\$ (278,546,000)
15		<u>218,546,000</u>
16	Puyallup Tribal Settlement Account--State	
17	Appropriation	\$ 5,000,000
18	Puyallup Tribal Settlement Account--Private/Local	
19	Appropriation	\$ 200,000
20	High Capacity Transportation Account--State	
21	Appropriation	\$ (1,288,000)
22		<u>1,401,000</u>
23	TOTAL APPROPRIATION	\$ (649,894,000)
24		<u>611,612,000</u>

25 The appropriations in this section are provided for the location,
26 design, right of way acquisition, and construction of state highway
27 projects designated as improvements under RCW 47.05.030. The
28 appropriations in this section are subject to the following conditions
29 and limitations and specified amounts are provided solely for that
30 activity:

31 (~~(b) State funds conditioned in (a) of this subsection may also be~~
32 ~~used as match for federally funded projects of similar nature.~~

33 (2)) (1) The special category C account--state appropriation of
34 (~~(\$78,600,000)~~) \$73,271,000 includes \$26,000,000 in proceeds from the
35 sale of bonds authorized by RCW 47.10.812 through 47.10.817 and
36 includes (~~(\$19,000,000)~~) \$12,000,000 in proceeds from the sale of bonds
37 authorized by House Bill No. 1012. The transportation commission may
38 authorize the use of current revenues available to the department of
39 transportation in lieu of bond proceeds for any part of the state

1 appropriation. If House Bill No. 1012 is not enacted by June 30,
2 (~~(1997)~~) 1998, (~~(\$19,000,000)~~) \$7,800,000 of the special category C
3 account--state appropriation shall lapse.

4 (~~((3))~~) (2) The motor vehicle fund--state appropriation includes
5 \$2,685,000 in proceeds from the sale of bonds authorized by RCW
6 47.10.819(1) for match on federal demonstration projects. The
7 transportation commission may authorize the use of current revenues
8 available to the department of transportation in lieu of bond proceeds
9 for any part of the state appropriation.

10 (~~((4))~~) (3) The department shall report annually to the legislative
11 transportation committee on the status of the projects funded by the
12 special category C appropriations contained in this section. The
13 report shall be submitted by January 1 of each year.

14 (~~((5))~~) (4) The motor vehicle fund--state appropriation in this
15 section includes \$600,000 solely for a rest area and information
16 facility in the Nisqually gateway area to Mt. Rainier, provided that at
17 least forty percent of the total project costs are provided from
18 federal, local, or private sources. The contributions from the
19 nonstate sources may be in the form of in-kind contributions including,
20 but not limited to, donations of property and services.

21 (~~((6))~~) (5) The appropriations in this section contain \$118,247,000
22 reappropriation from the 1995-97 biennium.

23 (~~((8))~~) (6) The motor vehicle fund--state appropriation in this
24 section includes \$250,000 to establish a wetland mitigation pilot
25 project. This appropriation may only be expended if the department of
26 transportation establishes a technical committee to better implement
27 the department's strategic plan. The technical committee shall
28 include, but is not limited to, cities, counties, environmental groups,
29 business groups, tribes, the Puget Sound action team, and the state
30 departments of ecology, fish and wildlife, and community, trade, and
31 economic development, and appropriate federal agencies. The committee
32 shall assist the department in implementing its wetland strategic plan,
33 including working to eliminate barriers to improved wetland and
34 watershed management. To this end, the technical committee shall: (a)
35 Work to facilitate sharing of agency environmental data, including
36 evaluation of off-site and out-of-kind mitigation options; (b) develop
37 agreed-upon guidance that will enable the preservation of wetlands that
38 are under imminent threat from development for use as an acceptable
39 mitigation option; (c) develop strategies that will facilitate the

1 implementation of mitigation banking, including developing mechanisms
2 for valuing and transferring credits; (d) provide input in the
3 development of wetland functions assessment protocols related to
4 transportation projects; (e) develop incentives for interagency
5 participation in joint mitigation projects within watersheds; and (f)
6 explore options for funding environmental mitigation strategies. The
7 department shall prepare an annual report to the legislative
8 transportation committee and legislative natural resources committees
9 on recommendations developed by the technical committee.

10 (7) The department shall report January 1st and July 1st of each
11 year, to the legislative transportation committee and the office of
12 financial management of the timing and the scope of work being
13 performed for the regional transit authority. This report shall
14 provide a description of all department activities related to the
15 regional transit authority including investments in state-owned
16 infrastructure.

17 (8) The translake study funded in this section shall include
18 recommendations to address methods for mitigating traffic noise in the
19 study area.

20 (9) It is the intent of the legislature that no funding for the SR
21 509 South Access project be provided until a proposal for tying the
22 project to other freight corridors, such as SR 18 and SR 167, in
23 addition to SR 5, and a funding plan with participation from partners
24 of the state are provided and agreed to by the legislative
25 transportation committee and the governor.

26 (10) The motor vehicle account--federal appropriation in this
27 section is transferrable to the transportation account to ensure
28 efficient funds management and program delivery.

29 (11) \$2,000,000 of the motor vehicle fund--state appropriation is
30 provided solely for transfer to the advanced environmental mitigation
31 revolving account--state.

32 (12) The legislature finds that the state's economic development
33 efforts can be enhanced by, in certain instances, providing funds to
34 improve state highways in the vicinity of new industries considering
35 locating in this state or existing industries that are considering
36 significant expansion. The department shall develop criteria for
37 programming and prioritization of highway infrastructure projects that
38 will contribute to economic development as required by RCW

1 47.05.051(2). The department shall report to the legislative
2 transportation committee on the criteria developed by December 1, 1998.

3 **Sec. 212.** 1997 c 457 s 218 (uncodified) is amended to read as
4 follows:

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

7	Transportation Fund--State Appropriation	\$	1,280,000
8	Motor Vehicle Fund--State Appropriation	\$	16,235,000
9	TOTAL APPROPRIATION	\$	17,515,000

10 The appropriations in this section are subject to the following
11 conditions and limitations and specified amounts are provided solely
12 for that activity:

13 (1) The motor vehicle fund--state appropriation includes
14 \$16,235,000 in proceeds from the sale of bonds authorized in RCW
15 47.10.834 for all forms of cash contributions, or the payment of other
16 costs incident to the location, development, design, right of way, and
17 construction of only the SR 16 corridor improvements and park and ride
18 projects selected under the public-private transportation initiative
19 program authorized under chapter 47.46 RCW; and support costs of the
20 public-private transportation initiatives program.

21 (2) The appropriations in this section contain \$16,235,000
22 reappropriated from the 1995-97 biennium.

23 (3) \$100,000 of the motor vehicle fund--state appropriation is
24 provided solely for the purpose of the program evaluation and audit of
25 the public private initiatives in transportation program required under
26 RCW 47.46.030(2). The legislative transportation committee shall act
27 as project manager of the evaluation and audit and shall contract with
28 a consultant or consultants to conduct the evaluation and audit.

29 **Sec. 213.** 1997 c 457 s 219 (uncodified) is amended to read as
30 follows:

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

32	Motor Vehicle Fund--State Appropriation	\$	((238,200,000))
33			<u>239,200,000</u>
34	Motor Vehicle Fund--Federal Appropriation	\$	465,000
35	Motor Vehicle Fund--Private/Local Appropriation	\$	3,335,000
36	TOTAL APPROPRIATION	\$	((242,000,000))
37			<u>243,000,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations and specified amounts are provided solely
3 for that activity:

4 (1) If portions of the appropriations in this section are required
5 to fund maintenance work resulting from major disasters not covered by
6 federal emergency funds such as fire, flooding, and major slides,
7 supplemental appropriations will be requested to restore state funding
8 for ongoing maintenance activities.

9 (2) The department shall deliver the highway maintenance program
10 according to the plans for each major maintenance group to the extent
11 practical. However, snow and ice expenditures are highly variable
12 depending on actual weather conditions encountered. If extraordinary
13 winter needs result in increased winter maintenance expenditures, the
14 department shall, after prior consultation with the transportation
15 commission, the office of financial management, and the legislative
16 transportation committee adopt one or both of the following courses of
17 action: (a) Reduce planned maintenance activities in other groups to
18 offset the necessary increases for snow and ice control; or (b)
19 continue delivery as planned within other major maintenance groups and
20 request a supplemental appropriation in the following legislative
21 session to fund the additional snow and ice control expenditures.

22 (3) The department shall request an unanticipated receipt for any
23 federal moneys received for emergency snow and ice removal and shall
24 place an equal amount of the motor vehicle fund--state into unallotted
25 status. This exchange shall not affect the amount of funding available
26 for snow and ice removal.

27 (4) Funding appropriated for local storm water charges assessed
28 under RCW 90.03.525, which is allocated for, but not paid to, a local
29 storm water utility because the utility did not meet the conditions
30 provided under RCW 90.03.525, may be transferred by the department to
31 program Z of the department to be distributed as grants under the storm
32 water grant program.

33 **Sec. 214.** 1997 c 457 s 220 (uncodified) is amended to read as
34 follows:

35 **FOR THE DEPARTMENT OF TRANSPORTATION--PRESERVATION--PROGRAM P**

36 Motor Vehicle Fund--State Appropriation	\$	((289,777,000))
37		<u>288,090,000</u>
38 Motor Vehicle Fund--Federal Appropriation	\$	274,259,000

1	Motor Vehicle Fund--Private/Local Appropriation . \$	2,400,000
2	TOTAL APPROPRIATION \$	((566,436,000))
3		<u>564,749,000</u>

4 The appropriations in this section are subject to the following
5 conditions and limitations and specified amounts are provided solely
6 for that activity:

7 (1) The motor vehicle fund--state appropriation includes \$6,800,000
8 in proceeds from the sale of bonds authorized in RCW 47.10.761 and
9 47.10.762 for emergency purposes. However, the transportation
10 commission may authorize the use of current revenues available to the
11 department of transportation in lieu of bond proceeds for any part of
12 the state appropriation.

13 (2) The appropriations in this section contain \$27,552,000
14 reappropriated from the 1995-97 biennium.

15 (3) If the Oregon state legislature enacts a public/private
16 partnership program and the Washington state transportation commission,
17 in consultation with the legislative transportation committee,
18 negotiates and enters into an agreement between Washington and Oregon
19 to place the Lewis and Clark bridge into Oregon's public/private
20 partnership program, up to \$3,000,000 of the motor vehicle fund--state
21 appropriation may be used as Washington's contribution toward the
22 design of the project pursuant to the agreement between Washington and
23 Oregon. Any additional contributions shall be subject to Washington
24 state legislative appropriations and approvals. The department shall
25 provide a status report on this project to the legislative
26 transportation committee by June 30, 1998.

27 (4) The transportation commission shall develop a comprehensive
28 policy on tolling that shall include, but not be limited to,
29 identification of the criteria for determining which facilities shall
30 be considered for toll financing, a process for determining the amount
31 of tolls to be assessed, and a process for soliciting and incorporating
32 public input. A report on the policy shall be provided to the
33 legislative transportation committee and the office of financial
34 management by March 1, 1999.

35 (5) The twenty-year bridge system plan is assumed to be fully
36 funded by existing revenues. The current straight-line planning and
37 budgeting methods for bridge preservation projects do not accommodate
38 the cash flow requirements of major bridge preservation projects such
39 as the Hood Canal Bridge. The department shall recommend to the

1 legislative transportation committee, by December 1, 1998, a sequencing
2 plan for the twenty-year bridge system plan that includes the cash flow
3 requirements associated with the major bridge replacement/
4 rehabilitation projects.

5 **Sec. 215.** 1997 c 457 s 221 (uncodified) is amended to read as
6 follows:

7 **FOR THE DEPARTMENT OF TRANSPORTATION--TRAFFIC OPERATIONS--PROGRAM Q**
8 State Patrol Highway Account--State

9	<u>Appropriation</u>	\$	<u>153,000</u>
10	Motor Vehicle Fund--State Appropriation	\$	<u>((29,140,000))</u>
11			<u>30,412,000</u>
12	<u>Motor Vehicle Fund--Federal Appropriation</u>	\$	<u>1,000,000</u>
13	<u>Motor Vehicle Fund--Private/Local</u>		
14	<u>Appropriation</u>	\$	<u>275,000</u>
15	<u>TOTAL APPROPRIATION</u>	\$	<u>31,840,000</u>

16 The appropriation in this section is subject to the following
17 conditions and limitations and specified amount is provided solely for
18 that activity:

19 (1) The department, in cooperation with the Washington state patrol
20 and the tow truck industry, shall develop and submit to the legislative
21 transportation committee by October 31, 1997, a recommendation for
22 implementing new tow truck services during peak hours on the Puget
23 Sound freeway system.

24 (2) The department, in cooperation with the Washington state
25 patrol, the department of licensing, the state of Oregon, and the
26 United States department of transportation, shall install and operate
27 the commercial vehicle information systems and network (CVISN) at a
28 selected pilot site. If the state department of transportation
29 receives additional federal funding for this project that is eligible
30 to supplant state funding, the appropriation in this section shall be
31 reduced by the amount of the state funds supplanted.

32 **Sec. 216.** 1997 c 457 s 222 (uncodified) is amended to read as
33 follows:

34 **FOR THE DEPARTMENT OF TRANSPORTATION--TRANSPORTATION MANAGEMENT AND**
35 **SUPPORT--PROGRAM S**

36	Motor Vehicle Fund--Puget Sound Capital		
37	Construction Account--State Appropriation	\$	<u>777,000</u>

1	Motor Vehicle Fund--State Appropriation	\$	((57,462,000))
2			<u>70,032,000</u>
3	Motor Vehicle Fund--Puget Sound Ferry Operations		
4	Account--State Appropriation	\$	1,093,000
5	Transportation Fund--State Appropriation	\$	1,158,000
6	TOTAL APPROPRIATION	\$	((60,490,000))
7			<u>73,060,000</u>

8 The appropriations in this section are subject to the following
9 conditions and limitations and specified amounts are provided solely
10 for that activity:

11 (1)(a) The motor vehicle fund--state appropriation includes
12 \$((2,650,000)) 14,300,000 provided solely for programming activities
13 and other efforts needed to bring the department's information systems,
14 and devices with computers built into them, into compliance with the
15 year 2000 requirements of the department of information services. The
16 department is directed to expend the moneys internally reallocated for
17 this purpose before spending from this appropriation. The department
18 is directed to provide quarterly reports on this effort to the
19 legislative transportation committee and the office of financial
20 management beginning October 1, 1997.

21 (b) Up to \$2,900,000 of the amount provided in (a) of this
22 subsection may be expended for testing and required modifications to
23 electronic devices and other equipment and specialized software that
24 are essential for department operations to ensure they are year 2000
25 compliant. Before expending any of this amount for these purposes, the
26 department shall consult with the legislative transportation committee
27 and the office of financial management.

28 (2) The legislative transportation committee shall review and
29 analyze freight mobility issues affecting eastern and southeastern
30 Washington as recommended by the freight mobility advisory committee
31 and report back to the legislature by November 1, 1997. \$500,000 of
32 the motor vehicle fund--state appropriation is provided for this review
33 and analysis. The funding conditioned in this subsection shall be from
34 revenues provided for interjurisdictional studies.

35 (3) In order to increase visibility for decision making, the
36 department shall review its budgeting and accounting methods for
37 management information systems. The review shall include, but not be
38 limited to, the cost-benefit analysis of existing processes and
39 evaluation of less complex alternatives such as direct appropriations.

1 The results of the review shall be reported to the legislative
2 transportation committee and the office of financial management by July
3 1, 1998.

4 **Sec. 217.** 1997 c 457 s 224 (uncodified) is amended to read as
5 follows:

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

8 (1) FOR PAYMENT OF COSTS OF ATTORNEY GENERAL TORT CLAIMS SUPPORT
9 Motor Vehicle Fund--State Appropriation \$ 2,515,000

10 (2) FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE AUDITOR
11 Motor Vehicle Fund--State Appropriation \$ 840,000

12 (3) FOR PAYMENT OF COSTS OF DEPARTMENT OF GENERAL ADMINISTRATION
13 FACILITIES AND SERVICES AND CONSOLIDATED MAIL SERVICES
14 Motor Vehicle Fund--State Appropriation \$ 3,391,000

15 (4) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF PERSONNEL
16 Motor Vehicle Fund--State Appropriation \$ 2,240,000

17 (5) FOR PAYMENT OF SELF-INSURANCE LIABILITY PREMIUMS AND
18 ADMINISTRATION
19 Motor Vehicle Fund--State Appropriation \$ ((~~12,120,000~~))
20 12,535,000

21 (6) FOR PAYMENT OF SELF-INSURANCE LIABILITY PREMIUMS AND
22 ADMINISTRATION
23 Motor Vehicle Fund--Puget Sound Ferry Operations
24 Account--State Appropriation \$ 2,928,000

25 (7) FOR PAYMENT OF COSTS OF THE OFFICE OF MINORITY AND WOMEN'S
26 BUSINESS ENTERPRISES
27 Motor Vehicle Fund--State Appropriation \$ 536,000

28 (8) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF GENERAL
29 ADMINISTRATION STATE PARKING SERVICES
30 Motor Vehicle Fund--State Appropriation \$ 90,000

31 (9) FOR PAYMENT OF THE DEPARTMENT OF GENERAL ADMINISTRATION CAPITAL
32 PROJECTS SURCHARGE
33 Motor Vehicle Fund--State Appropriation \$ 735,000

34 (10) FOR ARCHIVES AND RECORDS MANAGEMENT
35 Motor Vehicle Fund--State Appropriation \$ ((~~295,000~~))
36 355,000

1 **Sec. 218.** 1997 c 457 s 225 (uncodified) is amended to read as
2 follows:

3 **FOR THE DEPARTMENT OF TRANSPORTATION--WASHINGTON STATE FERRIES**
4 **CONSTRUCTION--PROGRAM W**

5 Motor Vehicle Fund--Puget Sound Capital		
6 Construction Account--State Appropriation . . . \$	((243,229,000))	
7		<u>209,886,000</u>
8 Motor Vehicle Fund--Puget Sound Capital		
9 Construction Account--Federal		
10 Appropriation \$	30,165,000	
11 Motor Vehicle Fund--Puget Sound Capital		
12 Construction Account--Private/Local		
13 Appropriation \$	765,000	
14 Transportation Fund--Passenger Ferry Account--		
15 State Appropriation \$	((579,000))	
16		<u>640,000</u>
17 TOTAL APPROPRIATION \$	((274,738,000))	
18		<u>241,456,000</u>

19 The appropriations in this section are provided for improving the
20 Washington state ferry system, including, but not limited to, vessel
21 acquisition, vessel construction, major and minor vessel improvements,
22 and terminal construction and improvements. The appropriations in this
23 section are subject to the following conditions and limitations and
24 specified amounts are provided solely for that activity:

25 (1) The appropriations in this section are provided to carry out
26 only the projects (version 3) adjusted by the legislature for the 1997-
27 99 budget. The department shall reconcile the 1995-97 capital
28 expenditures within ninety days of the end of the biennium and submit
29 a final report to the legislative transportation committee and office
30 of financial management.

31 (2) The Puget Sound capital construction account--state
32 appropriation includes \$100,000,000 in proceeds from the sale of bonds
33 authorized by RCW 47.60.800 for vessel and terminal acquisition, major
34 and minor improvements, and long lead time materials acquisition for
35 the Washington state ferries, including construction of new jumbo ferry
36 vessels in accordance with the requirements of RCW 47.60.770 through
37 47.60.778. However, the department of transportation may use current
38 revenues available to the Puget Sound capital construction account in
39 lieu of bond proceeds for any part of the state appropriation.

1 (3) The department of transportation shall provide to the
2 legislative transportation committee and office of financial management
3 a quarterly financial report concerning the status of the capital
4 program authorized in this section.

5 (4) Washington state ferries is authorized to reimburse up to
6 \$3,000,000 from the Puget Sound capital construction account--state
7 appropriation or Puget Sound capital construction account--federal
8 appropriation to the city of Bremerton and the port of Bremerton for
9 Washington state ferries' financial participation in the development of
10 a Bremerton multimodal transportation terminal, port of Bremerton
11 passenger-only terminal expansion, and ferry vehicular connections to
12 downtown traffic circulation improvements. The reimbursement shall
13 specifically support the construction of the following components:
14 Appropriate passenger-only ferry terminal linkages to accommodate bow-
15 loading catamaran type vessels and the needed transit connections; and
16 the Washington state ferries' component of the Bremerton multimodal
17 transportation terminal as part of the downtown Bremerton redevelopment
18 project, including appropriate access to the new downtown traffic
19 circulation road network.

20 (5) The Puget Sound capital construction account--state
21 appropriation includes funding for capital improvements on vessels to
22 meet United States Coast Guard Subchapter W regulation revisions
23 impacting SOLAS (safety of life at sea) requirements for ferry
24 operations on the Anacortes to Sidney, B.C. ferry route.

25 (6) The Puget Sound capital construction account--state
26 appropriation, the Puget Sound capital construction account--federal
27 appropriation, and the passenger ferry account--state appropriation
28 include funding for the construction of one new passenger-only vessel
29 and the department's exercise of the option to build a second
30 passenger-only vessel.

31 (7) The Puget Sound capital construction account--state
32 appropriation includes funding for the exploration and acquisition of
33 a design for constructing a millennium class ferry vessel.

34 (8) The Puget Sound capital construction account--state
35 appropriation includes \$90,000 for the purchase of defibrillators. At
36 least one defibrillator shall be placed on each vessel in the ferry
37 fleet.

38 (9) The appropriations in this section contain \$46,962,000
39 reappropriated from the 1995-97 biennium.

1 ~~((10)(a) The Puget Sound capital construction account state~~
2 ~~appropriation includes \$57,461,000 for the 1997-99 biennium portion of~~
3 ~~the design and construction of a fourth Jumbo Mark II ferry and for~~
4 ~~payments related to the lease purchase of the vessel's engines and~~
5 ~~propulsion system.~~

6 ~~(b) If House Bill No. 2108 authorizing the department to procure~~
7 ~~the vessel utilizing existing construction and equipment acquisition~~
8 ~~contracts is not enacted during the 1997 legislative session, (a) of~~
9 ~~this subsection is null and void; \$50,000,000 of the motor vehicle~~
10 ~~fund Puget Sound capital construction account state appropriation~~
11 ~~shall not be allotted; and \$7,461,000 may be allotted for preservation~~
12 ~~or renovation of Super class ferries.)~~

13 **Sec. 219.** 1997 c 457 s 226 (uncodified) is amended to read as
14 follows:

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

16 Marine Operating Fund--State Appropriation . . . \$ ((267,358,000))
17 270,522,000

18 The appropriation in this section is subject to the following
19 conditions and limitations and specified amounts are provided solely
20 for that activity:

21 (1) The appropriation is based on the budgeted expenditure of
22 ~~(((\$29,151,000))~~ \$28,696,000 for vessel operating fuel in the 1997-99
23 biennium. If the actual cost of fuel is less than this budgeted
24 amount, the excess amount may not be expended. If the actual cost
25 exceeds this amount, the department shall request a supplemental
26 appropriation.

27 (2) The appropriation provides for the compensation of ferry
28 employees. The expenditures for compensation paid to ferry employees
29 during the 1997-99 biennium may not exceed ~~(((\$177,347,000))~~
30 \$179,095,000 plus a dollar amount, as prescribed by the office of
31 financial management, that is equal to any insurance benefit increase
32 granted general government employees in excess of \$313.95 a month
33 annualized per eligible marine employee multiplied by the number of
34 eligible marine employees for the respective fiscal year, a dollar
35 amount as prescribed by the office of financial management for costs
36 associated with pension amortization charges, and a dollar amount
37 prescribed by the office of financial management for salary increases
38 during the 1997-99 biennium. For the purposes of this section, the

1 expenditures for compensation paid to ferry employees shall be limited
2 to salaries and wages and employee benefits as defined in the office of
3 financial management's policies, regulations, and procedures named
4 under objects of expenditure "A" and "B" (7.2.6.2).

5 The prescribed salary and insurance benefit increase or decrease
6 dollar amount that shall be allocated from the governor's compensation
7 appropriations is in addition to the appropriation contained in this
8 section and may be used to increase or decrease compensation costs,
9 effective July 1, 1997, and thereafter, as established in the 1997-99
10 general fund operating budget.

11 (3) The department of transportation shall provide to the
12 legislative transportation committee and office of financial management
13 a quarterly financial report concerning the status of the operating
14 program authorized in this section.

15 (4) The appropriation in this section includes up to \$1,566,000 for
16 additional operating expenses required to comply with United States
17 Coast Guard Subchapter W regulation revisions for vessels operating on
18 the Anacortes to Sidney, B.C. ferry route. The department shall
19 explore methods to minimize the cost of meeting United States Coast
20 Guard requirements and shall report the results to the legislative
21 transportation committee and office of financial management by
22 September 1, 1997.

23 (5) The department shall request a reduction of the costs
24 associated with the use of the terminal leased from the Port of
25 Anacortes and costs associated with use of the Sidney, British Columbia
26 terminal.

27 (6) Agreements between Washington state ferries and concessionaires
28 for automatic teller machines on ferry terminals or vessels shall
29 provide for and include banks and credit unions that primarily serve
30 the west side of Puget Sound.

31 (7) In the event federal funding is provided for one or more
32 passenger-only ferry vessels for the purpose of transporting United
33 States naval personnel, the department of transportation is authorized
34 to acquire and construct such vessels in accordance with the authority
35 provided in RCW 47.56.030, and the department shall establish a
36 temporary advisory committee comprised of representatives of the
37 Washington state ferries, transportation commission, legislative
38 transportation committee, office of financial management, and the
39 United States Navy to analyze and make recommendations on, at a

1 minimum, vessel performance criteria, docking, vessel deployment, and
2 operating issues.

3 ~~((9))~~ (8) The appropriation provides funding for House Bill No.
4 2165 (paying interest on retroactive raises for ferry workers).

5 (9) The commission is authorized to increase Washington state ferry
6 tariffs in excess of the fiscal growth factor, established under
7 chapter 43.135 RCW, in fiscal year 1998 and fiscal year 1999.

8 (10) Funding for Anacortes to Sidney advertising is contingent upon
9 partners meeting their commitment. In no event may the state share
10 exceed fifty percent of the cash contribution toward the project.

11 (11) \$1,370,000 of this appropriation is provided solely for the
12 Hiyu operation for Southworth/Vashon 5 days per week for 16 hours per
13 day. Prior to placing the Hiyu in permanent service on a route between
14 Vashon and Southworth, the Washington state ferries shall conduct a
15 study of the impact of additional service on Vashon and Southworth and
16 report back to the legislative transportation committee by May 15,
17 1998.

18 (12) \$446,000 of this appropriation is provided solely to provide
19 an additional crew member on Jumbo Mark 2 ferries as required by
20 emergency evacuation regulations adopted by the United States Coast
21 Guard. If the Coast Guard requirement can be met without the hiring of
22 additional staff, the portion of this appropriation provided to meet
23 that requirement shall not be expended.

24 **Sec. 220.** 1997 c 457 s 227 (uncodified) is amended to read as
25 follows:

26 **FOR THE DEPARTMENT OF TRANSPORTATION--PUBLIC TRANSPORTATION AND RAIL--**
27 **PROGRAM Y**

28	Essential Rail Assistance Account--State	
29	Appropriation	\$ 256,000
30	High Capacity Transportation Account--State	
31	Appropriation	\$ ((6,225,000))
32		<u>13,225,000</u>
33	Air Pollution Control Account--State	
34	Appropriation	\$ 6,290,000
35	Transportation Fund--State Appropriation	\$ ((48,529,000))
36		<u>55,029,000</u>
37	Transportation Fund--Federal Appropriation	\$ 3,947,000
38	Transportation Fund--Private/Local	

1	Appropriation	\$	105,000
2	Central Puget Sound Public Transportation		
3	Account--State Appropriation	\$	((250,000))
4			<u>4,250,000</u>
5	TOTAL APPROPRIATION	\$	((65,602,000))
6			<u>83,102,000</u>

7 The appropriations in this section are subject to the following
8 conditions and limitations and specified amounts are provided solely
9 for that activity:

10 (1) Up to ((~~\$40,180,000~~)) \$46,180,000 of the transportation fund--
11 state appropriation is provided for intercity rail passenger service
12 including up to \$8,000,000 for lease purchase of two advanced
13 technology train sets with total purchase costs not to exceed
14 \$20,000,000; up to \$1,000,000 for one spare advanced technology train
15 power-car and other spare parts, subsidies for operating costs not to
16 exceed \$12,000,000, to maintain service of two state contracted round
17 trips between Seattle and Portland and one state contracted round trip
18 between Seattle and Vancouver, British Columbia, and capital projects
19 necessary to provide Seattle-Vancouver, British Columbia, train
20 operating times of under 4 hours.

21 (2) Up to ((~~\$2,500,000~~)) \$3,000,000 of the transportation fund--
22 state appropriation is provided for the rural mobility program
23 administered by the department of transportation. Priority for grants
24 provided from this account shall be given to projects and programs that
25 can be accomplished in the 1997-99 biennium.

26 (3) Up to \$600,000 of the high capacity transportation account--
27 state appropriation is provided for rail freight coordination,
28 technical assistance, and planning.

29 (4) The department shall provide biannual reports to the
30 legislative transportation committee and office of financial management
31 regarding the department's rail freight program. The department shall
32 also notify the committee for project expenditures from all fund
33 sources prior to making those expenditures. The department shall
34 examine the ownership of grain cars and the potential for divestiture
35 of those cars and other similar assets and report those findings to the
36 committee prior to the 1998 legislative session.

37 (5) Up to \$750,000 of the transportation fund--state appropriation
38 and up to \$250,000 of the central Puget Sound public transportation
39 account--state appropriation are provided to fund activities relating

1 to coordinating special needs transportation among state and local
2 providers. These activities may include demonstration projects,
3 assessments of resources available versus needs, and identification of
4 barriers to coordinating special needs transportation. The department
5 will consult with the superintendent of public instruction, the
6 secretary of the department of social and health services, the office
7 of financial management, the fiscal committees of the house of
8 representatives and senate, special needs consumers, and specialized
9 transportation providers in meeting the goals of this subsection.

10 (6) The appropriations in this section contain \$4,599,000
11 reappropriated from the 1995-97 biennium.

12 (7) The high capacity transportation account--state appropriation
13 includes \$75,000 for the department to develop a strategy and to
14 identify how the agency would expend additional moneys to enhance the
15 commute trip reduction program. The report would include
16 recommendations for grant programs for employers and jurisdictions to
17 reduce SOV usage and to provide transit incentives to meet future
18 commute trip reduction requirements. The report is due to the
19 legislative transportation committee by January 1, 1998.

20 (8) In addition to the appropriations contained in this section,
21 the office of financial management shall release the \$2,000,000
22 transportation fund--state funds appropriated for the intercity rail
23 passenger program in the 1995-97 biennium but held in reserve pursuant
24 to section 502, chapter 165, Laws of 1996.

25 (9) Up to \$150,000 of the transportation fund--state appropriation
26 is provided for the management and control of the transportation
27 corridor known as the Milwaukee Road corridor owned by the state
28 between Ellensburg and Lind, and to take actions necessary to allow the
29 department to be in a position, with further legislative authorization,
30 to begin to negotiate a franchise with a rail carrier to establish and
31 maintain a rail line over portions of the corridor by July 1, 1999.

32 (10) Up to \$2,500,000 of the high capacity transportation account--
33 state appropriation and \$4,000,000 of the central Puget Sound public
34 transportation account--state appropriation may be used by the
35 department for activities related to improvement of the King Street
36 station. The department shall provide monthly reports to the
37 legislative transportation committee on activities related to the
38 station, including discussions of funding commitments from others for
39 future improvements to the station.

1 (11) \$4,000,000 of the high capacity transportation account--state
 2 appropriation for passenger rail infrastructure improvement is provided
 3 solely for rail improvements to add rail passenger service north of
 4 Seattle. These funds are conditioned on match of at least equal
 5 amounts from both Burlington Northern Sante Fe and Amtrak for rail line
 6 improvements and upon Amtrak purchasing an additional train set for
 7 operation in the corridor. These funds shall not be expended until
 8 authorized by the legislative transportation committee and the office
 9 of financial management; and the participation of international
 10 partners in service provided in the corridor shall be considered in
 11 such a decision.

12 **Sec. 221.** 1997 c 457 s 228 (uncodified) is amended to read as
 13 follows:

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

15 Motor Vehicle Fund--State Appropriation	\$	((8,452,000))
		<u>9,502,000</u>
17 Motor Vehicle Fund--Federal Appropriation	\$	33,726,000
18 High Capacity Transportation Account--		
19 State Appropriation	\$	((500,000))
		<u>650,000</u>
21 <u>Transportation Account--State Appropriation</u>	<u>\$</u>	<u>1,175,000</u>
22 TOTAL APPROPRIATION	\$	((42,678,000))
		<u>45,053,000</u>

24 The appropriations in this section are subject to the following
 25 conditions and limitations and specified amounts are provided solely
 26 for that activity:

27 (1) The motor vehicle fund--state appropriation includes \$1,785,000
 28 in proceeds from the sale of bonds authorized by RCW 47.10.819(1). The
 29 transportation commission may authorize the use of current revenues
 30 available to the department of transportation in lieu of bond proceeds
 31 for any part of the state appropriation.

32 (2) As a condition of receiving the full state subsidy in support
 33 of the Puget Island ferry, Wahkiakum county must, by December 31, 1997,
 34 increase ferry fares for passengers and vehicles by at least ten
 35 percent. If the fares are not increased to meet this requirement, the
 36 department, in determining the state subsidy after December 31, 1997,
 37 shall reduce the operating deficit by the amount that would have been
 38 generated if the ten percent fare increase had been implemented.

1 (3) The appropriations in this section contain \$1,750,000
2 reappropriated from the 1995-97 biennium.

3 (4) Up to \$500,000 of the high capacity transportation account--
4 state appropriation is provided for implementation of the
5 recommendations of the freight mobility advisory committee, and any
6 legislation enacted resulting from those recommendations.

7 (5) \$175,000 of the transportation fund--state appropriation is
8 provided solely to fund the freight mobility strategic investment
9 board. If Second Substitute House Bill No. 2180 is not enacted by June
10 30, 1998, this amount shall lapse.

11 (6) The transportation account--state appropriation includes
12 \$600,000 to establish alternatives for flood management and flood
13 hazard reduction projects in the Chehalis Basin. A technical committee
14 comprised of the department of transportation, department of ecology,
15 the United States army corps of engineers, federal emergency management
16 administration, United States geological survey, affected counties and
17 tribes, and other entities with critical knowledge related to flood
18 hazard reduction projects in the Chehalis Basin shall be formed. Funds
19 shall be distributed to counties within the Chehalis Basin by the
20 department of transportation for projects that further understanding of
21 the causes of flooding and options for flood hazard reduction.
22 Alternatives shall be consistent with fish and habitat recovery
23 efforts. Projects funded shall be coordinated with the technical
24 committee. The department of transportation shall present a report to
25 the legislative transportation committee and other appropriate
26 legislative committees regarding findings and/or progress made by
27 funded projects by December 1, 1998.

28 (7) The executive director of the transportation improvement board,
29 the director of the county road administration board, and the assistant
30 secretary of the Transaid service center within the department of
31 transportation shall submit to the legislative transportation committee
32 and the office of financial management, by December 1, 1998, a plan and
33 time schedule to consolidate the county road administration board, the
34 transportation improvement board, and the transaid division. Progress
35 reports are required in June 1998 and September 1998.

36 The plan must attempt to achieve the savings identified in the
37 local government assistance study delivered to the budget development
38 working group of the legislative transportation committee in January
39 1998, except the plan may use up to thirty percent of the savings to

1 increase technical assistance above current levels. Elements of the
2 plan must include but not be limited to:

3 (a) Whether the consolidation will occur within an existing agency
4 or as a separate agency;

5 (b) Whether the consolidated organization will be governed by a new
6 or existing board or commission or another option;

7 (c) An organization chart;

8 (d) Identification of new activities, ongoing activities, and
9 activities that no longer need to continue;

10 (e) Space requirements;

11 (f) An accounts and program structure; and

12 (g) A transition process and costs associated with the transition.

13 \$50,000 of the motor vehicle fund--state appropriation from the
14 inter-jurisdictional set-aside is provided solely for a facilitator and
15 other costs associated with development of the plan. The assistant
16 secretary for the transaid division will coordinate these activities.

17 (8) \$750,000 of the motor vehicle fund--state appropriation is
18 provided solely for a median barrier upon the Spokane street viaduct.
19 Use of this funding is contingent upon a commitment of funding from
20 other partners for the remainder of the project cost.

21 (9) Up to \$150,000 of the high capacity transportation account--
22 state appropriation is provided for the installation of active railroad
23 crossing warning devices at the sunnyside beach park entrance in
24 Steilacoom.

25 (10) \$400,000 of the transportation fund--state appropriation is
26 provided solely for a study by the legislative transportation
27 committee, in cooperation with the port of Benton, developing a
28 strategic corridor feasibility and master site plan for the port of
29 Benton. If the port of Benton does not provide at least \$200,000 to
30 fund the plan development, the transportation fund--state appropriation
31 referenced in this subsection shall lapse and this subsection shall be
32 null and void.

33 (End of part)

1 **PART III**

2 **TRANSPORTATION AGENCIES CAPITAL FACILITIES**

3 **Sec. 301.** 1997 c 457 s 301 (uncodified) is amended to read as
4 follows:

5 (1) The state patrol, the department of licensing, and the
6 department of transportation shall coordinate their activities when
7 siting facilities. This coordination shall result in the collocation
8 of driver and vehicle licensing, vehicle inspection service facilities,
9 and other transportation services whenever possible.

10 The department of licensing, the department of transportation, and
11 the state patrol shall explore alternative state services, such as
12 vehicle emission testing, that would be feasible to collocate in these
13 joint facilities. All services provided at these transportation
14 service facilities shall be provided at cost to the participating
15 agencies.

16 (2) The department of licensing may lease develop with option to
17 purchase or lease purchase new customer service centers to be paid for
18 from operating revenues. The Washington state patrol shall provide
19 project management for the department of licensing. Alternatively, a
20 financing contract may be entered into on behalf of the department of
21 licensing in the amounts indicated plus financing expenses and reserves
22 pursuant to chapter 39.94 RCW. The locations and amounts for projects
23 covered under this section are as follows:

- 24 (a) A new customer service center in Vancouver for \$3,709,900;
25 (b) A new customer service center in Thurston county for
26 \$4,641,200; and
27 (c) A new customer service center in Union Gap for \$3,642,000.

28 (3) The Washington state patrol, department of licensing, and
29 department of transportation shall provide monthly progress reports to
30 the legislative transportation committee within the transportation
31 executive information system on the capital facilities receiving an
32 appropriation in this act.

33 (4) The transportation agencies shall perform a review and analysis
34 of current office facilities housing the work force within Thurston
35 county for the department of transportation, Washington state patrol,
36 department of licensing, and traffic safety commission. This review

1 and analysis shall address, as a minimum, the historical growth of the
 2 agencies facilities requirements; a comprehensive cost/benefit analysis
 3 of current leased vs. owned facilities using the office of financial
 4 management lease/purchase decision model; and short-term, mid-term, and
 5 long-term facilities proposals, including a comprehensive life-cycle
 6 analysis of the proposals. The review and analysis is to be performed
 7 jointly by the department of transportation, Washington state patrol,
 8 department of licensing, traffic safety commission, department of
 9 general administration, and office of financial management. Monthly
 10 progress reports shall be provided to the legislative transportation
 11 committee. Agencies will make a recommendation on a transportation
 12 center to reduce the number of leased facilities and move toward a
 13 state-owned facility. A report is to be presented to the legislative
 14 transportation committee and the office of financial management no
 15 later than September 30, 1998.

16 **Sec. 302.** 1997 c 457 s 302 (uncodified) is amended to read as
 17 follows:

18 **FOR THE WASHINGTON STATE PATROL--CAPITAL PROJECTS**

19 Motor Vehicle Fund--State Patrol Highway

20	Account--State Appropriation	\$	((7,075,000))
21			<u>10,425,000</u>
22	Transportation Fund--State Appropriation	\$	((4,000,000))
23			<u>1,000,000</u>
24	TOTAL APPROPRIATION	\$	((11,075,000))
25			<u>11,425,000</u>

26 The appropriations in this section are subject to the following
 27 conditions and limitations and specified amounts are provided solely
 28 for that activity:

29 (1) The appropriations in the transportation fund and the motor
 30 vehicle fund--state patrol highway account are provided for the
 31 microwave migration, Yakima district 3 headquarters office, weigh
 32 station facilities identified in the budget notes, training academy
 33 HVAC system, Vancouver Ridgefield commercial vehicle inspection
 34 building, and regular facilities maintenance.

35 (2) The Washington state patrol, based on an independent real
 36 estate appraisal, is authorized to purchase the Port Angeles detachment
 37 office for a maximum of \$600,000 provided the appraisal is \$600,000 or
 38 above in value. If the appraisal is less than \$600,000, the Washington

1 state patrol is authorized to purchase the building for the appraised
2 value. Certificates of participation will be used for financing the
3 cost of the building and related financing fees.

4 (3) A report will be prepared and presented to the legislature and
5 office of financial management in January 1998 on the microwave
6 migration project.

7 (4) The funding for the microwave migration project is limited to
8 \$4,400,000, the amount of revenue from frequency sales.

9 (5) The intent of the legislature is to have vehicle identification
10 number (VIN) lanes and encourage colocation of other transportation and
11 state services wherever feasible in transportation facilities.

12 (6) The Washington state patrol is authorized to proceed with the
13 exchange of the Olympia, Washington Martin Way property for a light
14 industrial land complex to be used to consolidate existing separately
15 located state activities and functions. The agency will work with the
16 office of financial management, department of general administration,
17 and the legislative transportation committee in the exchange and
18 approval processes.

19 (End of part)

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PART IV
TRANSFERS AND DISTRIBUTIONS

Sec. 401. 1997 c 457 s 401 (uncodified) is amended to read as follows:

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

Highway Bond Retirement Account Appropriation . . . \$	195,062,000
Ferry Bond Retirement Account Appropriation . . . \$	49,606,000
<u>Transportation Improvement Board Bond Retirement Account Appropriation \$</u>	<u>40,000,000</u>
TOTAL APPROPRIATION \$	((244,668,000))
	<u>284,668,000</u>

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity. If either House Bill No. 2582 or Senate Bill No. 6315 is enacted by June 30, 1998, then \$40,000,000 of the highway bond retirement account appropriation shall lapse. If neither House Bill No. 2582 nor Senate Bill No. 6315 is enacted by June 30, 1998, then the appropriation for the transportation improvement board bond retirement account shall lapse.

Sec. 402. 1997 c 457 s 402 (uncodified) is amended to read as follows:

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

Motor Vehicle Fund--Puget Sound Capital Construction Account Appropriation \$	500,000
Motor Vehicle Fund Appropriation \$	((130,000))
	<u>1,099,000</u>
Transportation Improvement Account Appropriation \$	200,000
Special Category C Account Appropriation \$	((350,000))
	<u>190,000</u>

1	Transportation Capital Facilities Account		
2	Appropriation	\$	1,000
3	Urban Arterial Account Appropriation	\$	5,000
4	TOTAL APPROPRIATION	\$	((1,186,000))
5			<u>1,995,000</u>

6 NEW SECTION. Sec. 403. A new section is added to 1997 c 457
7 (uncodified) to read as follows:

8 The office of the state treasurer is authorized to transfer any
9 transportation improvement account and urban arterial trust account
10 balances available in the highway bond retirement account into the
11 transportation improvement board bond retirement account following a
12 cooperative agreement by the department of transportation and the
13 transportation improvement board on the exact amount of the transfer.

14 **Sec. 404.** 1997 c 457 s 407 (uncodified) is amended to read as
15 follows:

16 **FOR THE STATE TREASURER--TRANSFERS**

17 (1) R V Account--State Appropriation:
18 For transfer to the Motor Vehicle Fund--
19 State \$ 1,176,000

20 (2) Motor Vehicle Fund--State Appropriation:
21 For transfer to the Transportation Capital
22 Facilities Account--State \$ ((47,569,000))
23 42,569,000

24 (3) ((~~Small City Account--State Appropriation:~~
25 ~~For transfer to the Urban Arterial Trust~~
26 ~~Account--State \$ 3,359,000~~

27 (4)) Small City Account--State Appropriation:
28 For transfer to the Transportation Improvement
29 Account--State \$ 7,500,000

30 **Sec. 405.** 1997 c 457 s 408 (uncodified) is amended to read as
31 follows:

32 **FOR THE DEPARTMENT OF TRANSPORTATION--TRANSFERS**

33 Motor Vehicle Fund--State Appropriation
34 For transfer to the Transportation Equipment Fund--
35 State Appropriation \$ 500,000
36 Transportation Equipment Fund--State Appropriation

1 For transfer to the Motor Vehicle

2 Fund--State \$ 3,500,000

3 The appropriations transfers in this section (~~(is)~~) are provided
4 for the purchase of equipment for the highway maintenance program from
5 the transportation equipment fund - operations.

6 NEW SECTION. Sec. 406. A new section is added to 1997 c 457
7 (uncodified) to read as follows:

8 The department of transportation is authorized to transfer any
9 balances available in the highway construction stabilization account to
10 the motor vehicle account to fund the appropriations contained in this
11 act.

12 (End of part)

1 **PART V**
2 **MISCELLANEOUS**

3 **C. BUDGET SUBMITTAL AND OVERSIGHT PROVISIONS**

4 **NEW SECTION.** **Sec. 501.** Any agency requesting transportation
5 funding must submit to the legislative transportation committees the
6 same request and supporting documents presented to the office of
7 financial management at agency budget submittal time.

8 **NEW SECTION.** **Sec. 502.** The public transportation and rail program
9 shall be divided into three separate programs in the 1999-01 biennium.
10 They shall be public transportation, rail-operating, and rail-capital.

11 **NEW SECTION.** **Sec. 503.** A new section is added to 1997 c 457
12 (uncodified) to read as follows:

13 Transportation agencies shall undertake the following activities in
14 order to establish a performance-based budgeting process for the 1999-
15 2001 biennial budget:

16 (1) The department of licensing, the department of transportation,
17 and the Washington state patrol, in cooperation with the office of
18 financial management and the legislative transportation committee,
19 shall implement a performance budgeting process that provides a
20 measurable link between agency objectives, service levels, and budget.
21 The agencies shall also develop indicators of performance, stated in
22 terms of expected results, to measure the agencies' progress in
23 achieving the agencies' goals.

24 (2) The transportation agencies shall submit a strategic plan with
25 their agency request budgets. The strategic plan must include a six-
26 year outlook and define and clarify the agency mission and vision,
27 provide the basis for budget development, and outline the agency's
28 goals and strategies.

29 (3) The transportation agencies shall establish performance
30 indicators that measure activities and associated goals and strategies
31 in the strategic plan. The agencies shall also provide a preferred
32 level of performance over the next six years.

33 (4) The legislative transportation committee, the office of
34 financial management, and the transportation agencies shall establish

1 the means of conducting program authorization reviews of all
2 transportation programs. The reviews shall include:

3 (a) An agency self-assessment to judge the quality and usefulness
4 of: (i) The agency's long-term strategic program goals; (ii) program
5 priorities and objectives; (iii) activities necessary to achieve
6 program priorities and objectives; (iv) service level criteria for the
7 necessary activities; (v) best practices by other states as a possible
8 benchmark of the performance of their programs; and (vi) service level
9 criteria, as measured against different funding levels;

10 (b) A review of the agency self-assessment and a report to the
11 legislature; and

12 (c) A report which recommends whether to retain, eliminate, or
13 modify funding and related statutory references for the agency. The
14 parties conducting the review shall consider: (i) Whether the agency
15 performance measures adequately measure the agency goals; (ii) whether
16 the program performs efficiently and effectively, including comparisons
17 with other jurisdictions, if applicable; (iii) whether there are other
18 cost-effective alternative methods of accomplishing the program's
19 mission; and (iv) whether there are any funds saved by the agency's
20 performance.

21 (5) The transportation agencies shall each designate a program to
22 test the effectiveness of performance-based budgeting for the 1999-2001
23 budget submittal period.

24 (6) Each agency shall submit a program list to the legislative
25 transportation committee and the office of financial management at the
26 end of each fiscal year, which describes the functions of the program,
27 the fund sources for the program, and the number of full-time
28 equivalents.

29 (7) The transportation agencies shall develop agency biennial
30 budget requests at the agency budget program level, rather than the
31 object level, and submit their biennial and supplemental budget
32 requests to the office of financial management via a common budget
33 system beginning July 1, 1998.

34 (8) The agencies shall input monthly their financial information
35 and quarterly program performance measurements into the transportation
36 executive information system and other systems as required by the
37 office of financial management. There is no requirement to submit a
38 monthly hard copy report to the legislature.

1 (9) Agencies are not required to develop a new strategic plan,
2 performance measures, or management quality initiatives in place of
3 current performance-based budgeting activities.

4 (10) If Substitute Senate Bill No. 2890 is enacted by June 30,
5 1998, this section is null and void.

6 **D. BILLS NECESSARY TO IMPLEMENT THIS ACT**

7 **Sec. 504.** 1997 c 457 s 511 (uncodified) is amended to read as
8 follows:

9 The following bills, as identified by bill number in the form as
10 passed by the legislature, are necessary to implement portions of this
11 act: (~~Engrossed Substitute House Bill No. 1011, Substitute House Bill~~
12 ~~No. 2108, or Substitute Senate Bill No. 5718~~) (1) House Bill Nos.
13 2659, 2615, 1553, 3110, 2892, 1012, 1487, 1009, 1014, 2417, 2180, 2526,
14 2839, 3015, 3098, 3117, and 2734.

15 (2) Senate Bill Nos. 6439 and 6050.

16 **E. EFFICIENCIES AND NEW POLICIES**

17 NEW SECTION. **Sec. 505.** (1) The secretary of transportation shall
18 implement efficiency measures:

19 (a) Identified by the department, with particular focus on improved
20 efficiency in the department's administrative services and programs;
21 and

22 (b) Recommended by the joint legislative audit and review committee
23 performance audit.

24 (2) The secretary shall report on the results and progress of the
25 efficiency measures implementation. The secretary shall deliver the
26 report to the legislative transportation committee by December 1, 1998.

27 NEW SECTION. **Sec. 506.** The department shall develop a process for
28 expediting the acquisition of state highway rights-of-way through
29 cooperative agreements with private entities that address the purchase
30 of rights-of-way by the private sector and reimbursement by the
31 department of the private entities' costs of acquisition.

32 **F. HIGHWAY CONSTRUCTION PROJECTS**

1 NEW SECTION. **Sec. 507.** A new section is added to 1997 c 457
2 (uncodified) to read as follows:

3 The department of transportation shall use appropriations for
4 programs I and P in this act to fund projects identified in the
5 transportation executive management system and legislative budget
6 notes.

7 NEW SECTION. **Sec. 508.** Should the voters approve a referendum on
8 a state-wide ballot that provides funding for transportation purposes,
9 there is put into reserve an amount totaling forty million dollars of
10 motor vehicle fund--state for the purposes of a state match to federal
11 dollars for highway construction activities. These moneys may only be
12 expended upon approval of both the legislative transportation committee
13 and the office of financial management.

14 NEW SECTION. **Sec. 509.** 1997 c 457 s 515 is repealed.

15 NEW SECTION. **Sec. 510.** If any provision of this act or its
16 application to any person or circumstance is held invalid, the
17 remainder of the act or the application of the provision to other
18 persons or circumstances is not affected.

19 NEW SECTION. **Sec. 511.** This act is necessary for the immediate
20 preservation of the public peace, health, or safety, or support of the
21 state government and its existing public institutions, and takes effect
22 immediately."

23 (End of part)

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12 Correct the title.

--- END ---