
ENGROSSED SUBSTITUTE HOUSE BILL 1872

State of Washington

55th Legislature

1997 Regular Session

By House Committee on Transportation Policy & Budget (originally sponsored by Representatives K. Schmidt, Scott, Mitchell and Hankins)

Read first time 03/10/97.

1 AN ACT Relating to improving public transportation performance;
2 amending RCW 35.58.2795, 35.58.2796, 36.57A.140, 35.58.273, 82.44.150,
3 82.44.180, 47.78.010, 47.78.010, 49.60.215, and 47.80.023; adding a new
4 section to chapter 39.34 RCW; adding new sections to chapter 35.58 RCW;
5 adding a new section to chapter 47.26 RCW; adding a new section to
6 chapter 47.80 RCW; adding a new chapter to Title 47 RCW; creating new
7 sections; providing effective dates; providing an expiration date; and
8 declaring an emergency.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10 **Sec. 1.** RCW 35.58.2795 and 1994 c 158 s 6 are each amended to read
11 as follows:

12 By (~~April~~) June 1st of each year, the legislative authority of
13 each municipality, as defined in RCW 35.58.272, and each regional
14 transit authority shall prepare a six-year transit development plan for
15 that calendar year and the ensuing (~~five~~) six years. The program
16 shall be consistent with the comprehensive plans adopted by counties,
17 cities, and towns, pursuant to chapter 35.63, 35A.63, or 36.70 RCW, the
18 inherent authority of a first class city or charter county derived from
19 its charter, or chapter 36.70A RCW. The program shall contain

1 information as to how the municipality intends to meet state and local
2 long-range priorities for public transportation, capital improvements,
3 significant operating changes planned for the system, and how the
4 municipality intends to fund program needs. The program must identify
5 local strategies, goals, and performance objectives, as well as
6 measures and standards of how they are being met. The program must
7 include cross-jurisdictional strategies, goals, and objectives.
8 Revenue forecasts for each municipality must reflect revenue forecasts
9 developed by the state except where stated otherwise and an explanation
10 is provided as to why those forecasts were not used.

11 The six-year plan for each municipality and regional transit
12 authority shall specifically set forth those projects of regional
13 significance for inclusion in the transportation improvement program
14 within that region. Each municipality and regional transit authority
15 shall file the six-year ((program)) plan with the state department of
16 transportation, the transportation improvement board, and cities,
17 counties, and regional planning councils within which the municipality
18 is located.

19 In developing its program, the municipality and the regional
20 transit authority shall consider those policy recommendations affecting
21 public transportation contained in the state transportation ((policy))
22 plan approved by the state transportation commission and, where
23 appropriate, adopted by the legislature. The municipality shall
24 conduct one or more public hearings while developing its program and
25 for each annual update.

26 **Sec. 2.** RCW 35.58.2796 and 1989 c 396 s 2 are each amended to read
27 as follows:

28 The department of transportation shall develop an annual report
29 summarizing the status of public transportation systems in the state.
30 By ((September)) October 1st of each year, copies of the report shall
31 be submitted to the legislative transportation committee ((and)), to
32 each municipality, as defined in RCW 35.58.272, and to each regional
33 transit authority, and be mailed directly to individual members of the
34 ((municipality's)) legislative authority of each of those agencies.
35 ((The department shall prepare and submit a preliminary report by
36 December 1, 1989.)) Notice in writing of the availability of such
37 reports must be provided to each member of the legislature and to the
38 mayor or chief executive of each city and to members of a county

1 legislative authority of any county whose boundaries are located within
2 a municipality. In addition to distributing the annual report, the
3 department shall make a copy of the report available electronically on
4 the internet, or through equivalent means.

5 To assist the department with preparation of the report, each
6 municipality shall file a system report by (~~April~~) June 1st of each
7 year with the state department of transportation identifying its public
8 transportation services for the previous calendar year and its
9 objectives for improving the efficiency and effectiveness of those
10 services. The system report shall address those items required for
11 each public transportation system in the department's report.

12 The department report shall describe individual public
13 transportation systems, including contracted transportation services
14 and dial-a-ride services, and include a state-wide summary of public
15 transportation issues and data. The descriptions shall include the
16 following elements and such other elements as the department deems
17 appropriate after consultation with the municipalities and the
18 legislative transportation committee:

19 (1) Equipment and facilities, including vehicle replacement
20 standards;

21 (2) Services and service standards;

22 (3) Revenues, expenses, and ending balances, by fund source;

23 (4) Policy issues and system improvement objectives, including
24 community participation in development of those objectives and how
25 those objectives address state-wide transportation priorities;

26 (5) Operating indicators applied to public transportation services,
27 revenues, and expenses. Operating indicators shall include, but not be
28 limited to, passengers per capita, operating cost per passenger trip,
29 cost per passenger mile, operating cost per ((revenue)) vehicle
30 ((service)) hour, the ratio of vehicle hours to vehicle service hours,
31 operating cost per mile, passenger trips per ((revenue—service))
32 vehicle hour, passenger trips per vehicle service mile, vehicle service
33 hours per employee, and farebox revenue as a percent of operating
34 costs.

35 NEW SECTION. Sec. 3. A new section is added to chapter 39.34 RCW
36 to read as follows:

37 When developing transit vehicle acquisition plans, or acquisition
38 plans for vehicles that could be used for public transportation

1 purposes, each public agency shall distribute those plans to the
2 department of transportation and shall, to the extent possible, allow
3 other agencies to combine transit vehicle procurement with that agency.
4 The department of transportation shall disseminate this information,
5 including future acquisition plans, to agencies that intend to make
6 transit-type vehicle purchases.

7 **Sec. 4.** RCW 36.57A.140 and 1991 c 318 s 17 are each amended to
8 read as follows:

9 (1) An election to authorize the annexation of territory contiguous
10 to a public transportation benefit area (~~may~~) must be called within
11 the area to be annexed pursuant to resolution or petition in the
12 following manner:

13 (a) By resolution of a public transportation benefit area authority
14 when it determines that the best interests and general welfare of the
15 public transportation benefit area would be served. The authority
16 shall consider the question of areas to be annexed to the public
17 transportation benefit area at least once every two years.

18 (b) By petition calling for such an election signed by at least
19 four percent of the (~~qualified~~) registered voters residing within the
20 area to be annexed and filed with the auditor of the county wherein the
21 largest portion of the public transportation benefit area is located,
22 and notice thereof shall be given to the authority. Upon receipt of
23 such a petition, the auditor shall examine it and certify to the
24 sufficiency of the signatures thereon.

25 (c) By resolution of a public transportation benefit area authority
26 upon request of any city for annexation thereto.

27 (2) If the area proposed to be annexed is located within another
28 county, the petition or resolution for annexation as set forth in
29 subsection (1) of this section must be approved by the legislative
30 authority of the county if the area is unincorporated or by the
31 legislative authority of the city or town if the area is incorporated.
32 Any annexation under this subsection must involve contiguous areas.

33 (3) The resolution or petition shall describe the boundaries of the
34 area to be annexed. It shall require that there also be submitted to
35 the electorate of the territory sought to be annexed a proposition
36 authorizing the inclusion of the area within the public transportation
37 benefit area and authorizing the imposition of such taxes authorized by

1 law to be collected by the authority. The proposition must be placed
2 on the ballot not later than the next general election.

3 NEW SECTION. **Sec. 5.** A new section is added to chapter 35.58 RCW
4 to read as follows:

5 (1) Beginning January 1, 2000, no municipality as defined in RCW
6 35.58.272 may have cash holding and other reserves greater than two
7 hundred percent of the previous year's operating expense. By January
8 1, 1999, the governing authority of each municipality shall adopt a
9 policy and schedule to meet this requirement. For the purposes of this
10 section, reserves are defined as all cash and investment, restricted or
11 unrestricted. It does not include employee retirement plans, Section
12 457 plans or their successors, and similar plans. This section applies
13 only to those expenditures, revenues, and reserves related to the
14 public transportation functions of municipalities.

15 (2) Beginning January 1, 2000, the state auditor shall assess
16 compliance with the reserve requirement in audits performed under
17 chapter 43.09 RCW. The auditor shall report any findings related to
18 exceeding the reserve limit to the department of licensing. After a
19 review by the director to ensure the validity of those findings, the
20 department of licensing shall withhold annually, from distributions to
21 a municipality of motor vehicle excise taxes imposed under RCW
22 35.58.273, an amount equal to the amount by which that municipality's
23 reserves are found to exceed two hundred percent of its previous year's
24 operating expenses. This amount shall be deposited into the central
25 Puget Sound public transportation account created in RCW 82.44.180, if
26 that municipality is located within a county with a population of one
27 million or more persons or a county with a population of from two
28 hundred thousand to less than one million persons bordering a county
29 with a population of one million or more persons, or the public
30 transportation systems account created in RCW 82.44.180, if the
31 municipality is located within any other county.

32 (3) The department may otherwise resume regular quarterly payments
33 upon a finding by the director that the municipality is no longer
34 exceeding the maximum reserves permitted under this section.

35 NEW SECTION. **Sec. 6.** A new section is added to chapter 35.58 RCW
36 to read as follows:

1 Effective January 1, 1998, the legislative authority of each
2 municipality shall have in place an adopted policy for the investment
3 of cash and other reserves in order to be eligible to receive
4 distributions of the motor vehicle excise tax under RCW 82.44.150 that
5 are imposed under RCW 35.58.273.

6 NEW SECTION. **Sec. 7.** A new section is added to chapter 35.58 RCW
7 to read as follows:

8 The state auditor shall provide for a performance audit of the
9 transit functions of each municipality imposing the motor vehicle
10 excise tax under RCW 35.58.273. An audit must be done once every three
11 years.

12 The auditor shall specify the functional areas to be audited within
13 each municipality. Potential areas for review and audit may include
14 maintenance, service planning, operations, budgeting and financial
15 planning, management reporting, purchasing, marketing, personnel
16 management, and risk analysis, claims, and insurance. The audit must
17 recommend methods for the municipality to improve the efficiency of its
18 internal operations and the effectiveness of its public services. The
19 audit must also assess the extent to which the municipality has met
20 ridership goals and performance objectives set forth in its transit
21 development plan prepared under RCW 35.58.2795. The auditor shall not
22 require a municipality to replicate any federal or state report already
23 prepared by the municipality, but shall include such information from
24 the federal or state reports, as deemed necessary by the auditor, in
25 conducting the performance audit. The audit process must provide for
26 a municipality to comment on findings, any actions it will take in
27 response to those findings, and a postaudit process to assess what
28 changes occurred as a result of the audit. The auditor shall undertake
29 in the first year of the audits, those audits of municipalities located
30 in a county with a population of at least one million persons, and
31 those municipalities located in a county of at least four hundred
32 thousand persons and bordering a county with a population of at least
33 one million persons. Audits must include, where warranted, an emphasis
34 on the operating costs per vehicle hour for those agencies and those
35 costs in relation to other systems of comparable size. When developing
36 this audit process, the auditor shall consult with the department of
37 transportation and the legislative transportation committee.

1 The auditor may contract to conduct the audits. The auditor shall
2 produce a report of its findings and recommendations and provide it to
3 the legislative transportation committee, the department of
4 transportation, and the municipality's governing authority. Each
5 municipality shall reimburse the auditor for the cost of the audit
6 within three months after receipt of its report.

7 **Sec. 8.** RCW 35.58.273 and 1992 c 194 s 11 are each amended to read
8 as follows:

9 ~~(1) ((Through June 30, 1992, any municipality, as defined in this~~
10 ~~subsection, is authorized to levy and collect a special excise tax not~~
11 ~~exceeding .7824 percent and beginning July 1, 1992, .725 percent on the~~
12 ~~value, as determined under chapter 82.44 RCW, of every motor vehicle~~
13 ~~owned by a resident of such municipality for the privilege of using~~
14 ~~such motor vehicle provided that in no event shall the tax be less than~~
15 ~~one dollar and, subject to RCW 82.44.150 (3) and (4), the amount of~~
16 ~~such tax shall be credited against the amount of the excise tax levied~~
17 ~~by the state under RCW 82.44.020(1). As used in this subsection, the~~
18 ~~term "municipality" means a municipality that is located within (a)~~
19 ~~each county with a population of two hundred ten thousand or more and~~
20 ~~(b) each county with a population of from one hundred twenty five~~
21 ~~thousand to less than two hundred ten thousand except for those~~
22 ~~counties that do not border a county with a population as described~~
23 ~~under subsection (a) of this subsection.~~

24 ~~(2) Through June 30, 1992,)~~ The legislature acknowledges the need
25 for funding of public transportation programs. As a mechanism to
26 provide state support of local programs, subject to those requirements
27 set forth in state law, any ((other)) municipality is authorized to
28 levy and collect a special excise tax not exceeding ((.815 percent, and
29 beginning July 1, 1992,)) .725 percent, as adjusted under section 32 of
30 this act, on the value, as determined under chapter 82.44 RCW, of every
31 motor vehicle owned by a resident of such municipality for the
32 privilege of using such motor vehicle provided that in no event shall
33 the tax be less than one dollar and, subject to RCW 82.44.150 (3) and
34 (4), the amount of such tax shall be credited against the amount of the
35 excise tax levied by the state under RCW 82.44.020(1). Before
36 utilization of any excise tax moneys collected under authorization of
37 this section for acquisition of right of way or construction of a mass
38 transit facility on a separate right of way the municipality shall

1 adopt rules affording the public an opportunity for "corridor public
2 hearings" and "design public hearings" as herein defined, which rule
3 shall provide in detail the procedures necessary for public
4 participation in the following instances: (a) Prior to adoption of
5 location and design plans having a substantial social, economic or
6 environmental effect upon the locality upon which they are to be
7 constructed or (b) on such mass rapid transit systems operating on a
8 separate right of way whenever a substantial change is proposed
9 relating to location or design in the adopted plan. In adopting rules
10 the municipality shall adhere to the provisions of the Administrative
11 Procedure Act.

12 ~~((+3))~~ (2) A "corridor public hearing" is a public hearing that:
13 (a) Is held before the municipality is committed to a specific mass
14 transit route proposal, and before a route location is established; (b)
15 is held to afford an opportunity for participation by those interested
16 in the determination of the need for, and the location of, the mass
17 rapid transit system; (c) provides a public forum that affords a full
18 opportunity for presenting views on the mass rapid transit system route
19 location, and the social, economic and environmental effects on that
20 location and alternate locations: PROVIDED, That such hearing shall
21 not be deemed to be necessary before adoption of an overall mass rapid
22 transit system plan by a vote of the electorate of the municipality.

23 ~~((+4))~~ (3) A "design public hearing" is a public hearing that:
24 (a) Is held after the location is established but before the design is
25 adopted; and (b) is held to afford an opportunity for participation by
26 those interested in the determination of major design features of the
27 mass rapid transit system; and (c) provides a public forum to afford a
28 full opportunity for presenting views on the mass rapid transit system
29 design, and the social, economic, environmental effects of that design
30 and alternate designs.

31 ~~((+5))~~ (4) A municipality imposing a tax under subsection (1) ~~((or~~
32 ~~+2))~~ of this section may also impose a sales and use tax, in addition
33 to the tax authorized by RCW 82.14.030, upon retail car rentals within
34 the municipality that are taxable by the state under chapters 82.08 and
35 82.12 RCW. The rate of tax shall bear the same ratio to the rate
36 imposed under RCW 82.08.020(2) as the excise tax rate imposed under
37 subsection (1) of this section bears to the excise tax rate imposed
38 under RCW 82.44.020 (1) and (2). The base of the tax shall be the
39 selling price in the case of a sales tax or the rental value of the

1 vehicle used in the case of a use tax. The tax imposed under this
2 section shall be deducted from the amount of tax otherwise due under
3 RCW 82.08.020(2). The revenue collected under this subsection shall be
4 distributed in the same manner as the special excise (~~((taxes))~~) tax
5 under subsection(~~((s))~~) (1) (~~((and—(2)))~~) of this section.

6 **Sec. 9.** RCW 82.44.150 and 1995 2nd sp.s. c 14 s 538 are each
7 amended to read as follows:

8 (1) The director of licensing shall, on the twenty-fifth day of
9 February, May, August, and November of each year, advise the state
10 treasurer of the total amount of motor vehicle excise taxes imposed by
11 RCW 82.44.020 (1) and (2) remitted to the department during the
12 preceding calendar quarter ending on the last day of March, June,
13 September, and December, respectively, except for those payable under
14 RCW 82.44.030, from motor vehicle owners residing within each
15 municipality which has levied a tax under RCW 35.58.273, which amount
16 of excise taxes shall be determined by the director as follows:

17 The total amount of motor vehicle excise taxes remitted to the
18 department, except those payable under RCW 82.44.020(3) and 82.44.030,
19 from each county shall be multiplied by a fraction, the numerator of
20 which is the population of the municipality residing in such county,
21 and the denominator of which is the total population of the county in
22 which such municipality or portion thereof is located. The product of
23 this computation shall be the amount of excise taxes from motor vehicle
24 owners residing within such municipality or portion thereof. Where the
25 municipality levying a tax under RCW 35.58.273 is located in more than
26 one county, the above computation shall be made by county, and the
27 combined products shall provide the total amount of motor vehicle
28 excise taxes from motor vehicle owners residing in the municipality as
29 a whole. Population figures required for these computations shall be
30 supplied to the director by the office of financial management, who
31 shall adjust the fraction annually.

32 (2) On the first day of the months of January, April, July, and
33 October of each year, the state treasurer based upon information
34 provided by the department shall, from motor vehicle excise taxes
35 deposited in the general fund, under RCW 82.44.110(1)(g), make the
36 following deposits:

37 (a) To the high capacity transportation account created in RCW
38 47.78.010, a sum equal to four and five-tenths percent of the special

1 excise tax levied under RCW 35.58.273 by those municipalities
2 authorized to levy a special excise tax within each county that has a
3 population of one hundred seventy-five thousand or more and has an
4 interstate highway within its borders; except that in a case of a
5 municipality located in a county that has a population of one hundred
6 seventy-five thousand or more that does not have an interstate highway
7 located within its borders, that sum shall be deposited in the
8 passenger ferry account;

9 (b) To the central Puget Sound public transportation account
10 created in RCW 82.44.180, for revenues distributed after (~~December 31,~~
11 ~~1992~~) June 30, 1997, within a county with a population of one million
12 or more and a county with a population of from two hundred thousand to
13 less than one million bordering a county with a population of one
14 million or more, a sum equal to (~~the difference between (i) the~~
15 ~~special excise tax levied and collected under RCW 35.58.273 by those~~
16 ~~municipalities authorized to levy and collect a special excise tax~~
17 ~~subject to the requirements of subsections (3) and (4) of this section~~
18 ~~and (ii) the special excise tax that the municipality would otherwise~~
19 ~~have been eligible to levy and collect at a tax rate of .815 percent~~
20 ~~and been able to match with locally generated tax revenues, other than~~
21 ~~the excise tax imposed under RCW 35.58.273, budgeted for any public~~
22 ~~transportation purpose. Before this deposit, the sum shall be reduced~~
23 ~~by an amount equal to the amount distributed under (a) of this~~
24 ~~subsection for each of the municipalities within the counties to which~~
25 ~~this subsection (2)(b) applies; however, any transfer under this~~
26 ~~subsection (2)(b) must be greater than zero~~) four and twenty-seven
27 hundredths percent of the special excise tax levied and collected under
28 RCW 35.58.273;

29 (c) To the public transportation systems account created in RCW
30 82.44.180, for revenues distributed after (~~December 31, 1992~~) June
31 30, 1997, within counties not described in (b) of this subsection, a
32 sum equal to (~~the difference between (i) the special excise tax levied~~
33 ~~and collected under RCW 35.58.273 by those municipalities authorized to~~
34 ~~levy and collect a special excise tax subject to the requirements of~~
35 ~~subsections (3) and (4) of this section and (ii) the special excise tax~~
36 ~~that the municipality would otherwise have been eligible to levy and~~
37 ~~collect at a tax rate of .815 percent and been able to match with~~
38 ~~locally generated tax revenues, other than the excise tax imposed under~~
39 ~~RCW 35.58.273, budgeted for any public transportation purpose. Before~~

1 ~~this deposit, the sum shall be reduced by an amount equal to the amount~~
2 ~~distributed under (a) of this subsection for each of the municipalities~~
3 ~~within the counties to which this subsection (2)(c) applies; however,~~
4 ~~any transfer under this subsection (2)(c) must be greater than zero))~~
5 one and twenty-three hundredths percent of the special excise tax
6 levied and collected under RCW 35.58.273; ((and))

7 (d) To the general fund, for revenues distributed after June 30,
8 1993, and to the transportation fund, for revenues distributed after
9 June 30, 1995, a sum equal to the difference between (i) the special
10 excise tax levied and collected under RCW 35.58.273 by those
11 municipalities authorized to levy and collect a special excise tax
12 subject to the requirements of subsections (3) and (4) of this section
13 and (ii) the special excise tax that the municipality would otherwise
14 have been eligible to levy and collect at a tax rate of .815 percent
15 notwithstanding the requirements set forth in subsections (3) through
16 (6) of this section, reduced by an amount equal to distributions made
17 under (a), (b), and (c) of this subsection and RCW 82.14.046;

18 (e) To the transportation fund, an amount equal to those amounts
19 withheld from municipalities under section 5(2) of this act.

20 (3) On the first day of the months of January, April, July, and
21 October of each year, the state treasurer, based upon information
22 provided by the department, shall remit motor vehicle excise tax
23 revenues imposed and collected under RCW 35.58.273 as follows:

24 (a) The amount required to be remitted by the state treasurer to
25 the treasurer of any municipality levying the tax shall not exceed in
26 any calendar year the amount of locally-generated tax revenues,
27 excluding (i) the excise tax imposed under RCW 35.58.273 for the
28 purposes of this section, which shall have been budgeted by the
29 municipality to be collected in such calendar year for any public
30 transportation purposes including but not limited to operating costs,
31 capital costs, and debt service on general obligation or revenue bonds
32 issued for these purposes; and (ii) the sales and use tax equalization
33 distributions provided under RCW 82.14.046; and

34 (b) In no event may the amount remitted in a single calendar
35 quarter exceed the amount collected on behalf of the municipality under
36 RCW 35.58.273 during the calendar quarter next preceding the
37 immediately preceding quarter, excluding the sales and use tax
38 equalization distributions provided under RCW 82.14.046 and less an
39 amount provided for in section 5 of this act.

1 (4) At the close of each calendar year accounting period, but not
2 later than April 1, each municipality that has received motor vehicle
3 excise taxes under subsection (3) of this section shall transmit to the
4 director of licensing and the state auditor a written report showing by
5 source the previous year's budgeted tax revenues for public
6 transportation purposes as compared to actual collections. Any
7 municipality that has not submitted the report by April 1 shall cease
8 to be eligible to receive motor vehicle excise taxes under subsection
9 (3) of this section until the report is received by the director of
10 licensing. If a municipality has received more or less money under
11 subsection (3) of this section for the period covered by the report
12 than it is entitled to receive by reason of its locally-generated
13 collected tax revenues, the director of licensing shall, during the
14 next ensuing quarter that the municipality is eligible to receive motor
15 vehicle excise tax funds, increase or decrease the amount to be
16 remitted in an amount equal to the difference between the locally-
17 generated budgeted tax revenues and the locally-generated collected tax
18 revenues. In no event may the amount remitted for a calendar year
19 exceed the amount collected on behalf of the municipality under RCW
20 35.58.273 during that same calendar year excluding the sales and use
21 tax equalization distributions provided under RCW 82.14.046. At the
22 time of the next fiscal audit of each municipality, the state auditor
23 shall verify the accuracy of the report submitted and notify the
24 director of licensing of any discrepancies.

25 (5) The motor vehicle excise taxes imposed under RCW 35.58.273 and
26 required to be remitted under this section and RCW 82.14.046 shall be
27 remitted without legislative appropriation.

28 (6) Any municipality levying and collecting a tax under RCW
29 35.58.273 which does not have an operating, public transit system or a
30 contract for public transportation services in effect within one year
31 from the initial effective date of the tax shall return to the state
32 treasurer all motor vehicle excise taxes received under subsection (3)
33 of this section.

34 **Sec. 10.** RCW 82.44.180 and 1995 c 269 s 2601 are each amended to
35 read as follows:

36 (1) The transportation fund is created in the state treasury.
37 Revenues under RCW 82.44.020 (1) and (2), 82.44.110, 82.44.150, and the

1 surcharge under RCW 82.50.510 shall be deposited into the fund as
2 provided in those sections.

3 Moneys in the fund may be spent only after appropriation.
4 Expenditures from the fund may be used only for transportation purposes
5 and activities and operations of the Washington state patrol not
6 directly related to the policing of public highways and that are not
7 authorized under Article II, section 40 of the state Constitution.

8 (2) There is hereby created the central Puget Sound public
9 transportation account within the transportation fund. Moneys
10 deposited into the account under RCW 82.44.150(2)(b) shall be
11 appropriated to the transportation improvement board and allocated by
12 the transportation improvement board to public transportation projects
13 submitted by a public agency within the region from which the funds are
14 derived, solely for:

15 (a) Planning;

16 (b) Development of capital projects;

17 (c) Development of high capacity transportation systems as defined
18 in RCW 81.104.015;

19 (d) Development of high occupancy vehicle lanes and related
20 facilities as defined in RCW 81.100.020; and

21 (e) Public transportation system contributions required to fund
22 projects under federal programs and those approved by the
23 transportation improvement board from other fund sources.

24 Priority will be given to projects under (a) through (e) of this
25 subsection that achieve annual transit ridership forecasts, promote
26 cross-jurisdictional travel, and facilitate service coordination among
27 public agencies that provide transportation. All projects funded under
28 this subsection are subject to a minimum thirty percent matching
29 requirement by the organization submitting the project.

30 (3) There is hereby created the public transportation systems
31 account within the transportation fund. Moneys deposited into the
32 account under RCW 82.44.150(2)(c) shall be appropriated to the
33 transportation improvement board and allocated by the transportation
34 improvement board to public transportation projects submitted by
35 ~~((the))~~ a public ~~((transportation systems from which the funds are~~
36 ~~derived))~~ agency within the boundaries of a municipality defined in RCW
37 35.58.272, excluding agencies located within the counties identified in
38 RCW 82.44.150(2)(b), solely for:

39 (a) Planning;

1 (b) Development of capital projects;
2 (c) Development of high capacity transportation systems as defined
3 in RCW 81.104.015;
4 (d) Development of high occupancy vehicle lanes and related
5 facilities as defined in RCW 81.100.020;
6 (e) Other public transportation system-related roadway projects on
7 state highways, county roads, or city streets; ((and))
8 (f) Public transportation system contributions required to fund
9 projects under federal programs and those approved by the
10 transportation improvement board from other fund sources; and
11 (g) Performance audits as required by section 7 of this act.
12 Priority will be given to projects under (a) through (g) of this
13 subsection that promote cross-jurisdictional travel and service
14 coordination among public agencies that provide transportation. All
15 projects funded under this subsection are subject to a minimum thirty
16 percent matching requirement by the organization submitting the
17 project.

18 **Sec. 11.** RCW 47.78.010 and 1991 sp.s. c 13 ss 66, 121 are each
19 amended to read as follows:

20 There is hereby established in the state treasury the high capacity
21 transportation account. Money in the account shall be used, after
22 appropriation, for local high capacity transportation purposes
23 including rail freight and commute trip reduction activities.

24 **Sec. 12.** RCW 47.78.010 and 1997 c ... s 11 (section 11 of this
25 act) are each amended to read as follows:

26 There is hereby established in the state treasury the high capacity
27 transportation account. Money in the account shall be used, after
28 appropriation, for ~~((local high capacity transportation purposes~~
29 ~~including))~~ rail freight and commute trip reduction activities.

30 NEW SECTION. **Sec. 13.** A new section is added to chapter 35.58 RCW
31 to read as follows:

32 (1) As authorized under the Americans with Disabilities Act, public
33 transportation systems may impose a fee for specialized paratransit
34 service not to exceed twice the fee that is charged to an individual
35 for a trip of similar length, at a similar time of day, on the fixed
36 route transit system.

1 (2) For purposes of this section, "public transportation system"
2 means the same as "municipality" as defined under RCW 35.58.272.

3 **Sec. 14.** RCW 49.60.215 and 1993 c 510 s 16 are each amended to
4 read as follows:

5 It shall be an unfair practice for any person or the person's agent
6 or employee to commit an act which directly or indirectly results in
7 any distinction, restriction, or discrimination, or the requiring of
8 any person to pay a larger sum than the uniform rates charged other
9 persons except as provided for specialized paratransit service in
10 section 13 of this act, or the refusing or withholding from any person
11 the admission, patronage, custom, presence, frequenting, dwelling,
12 staying, or lodging in any place of public resort, accommodation,
13 assemblage, or amusement, except for conditions and limitations
14 established by law and applicable to all persons, regardless of race,
15 creed, color, national origin, sex, the presence of any sensory,
16 mental, or physical disability, or the use of a trained guide dog or
17 service dog by a disabled person: PROVIDED, That this section shall
18 not be construed to require structural changes, modifications, or
19 additions to make any place accessible to a disabled person except as
20 otherwise required by law: PROVIDED, That behavior or actions
21 constituting a risk to property or other persons can be grounds for
22 refusal and shall not constitute an unfair practice.

23 NEW SECTION. **Sec. 15.** The legislature finds and declares that
24 reductions in the cost of transit operations and that better assessment
25 of transit goals and accomplishments are in the best interest of the
26 citizens of the state of Washington. This section will address the
27 Puget Sound Transit Performance Program.

28 NEW SECTION. **Sec. 16. LEGISLATIVE FINDINGS.** The legislature
29 finds and declares that:

30 (1) The Puget Sound region is experiencing rapid growth, which is
31 already straining transportation capacity, and threatening the economic
32 viability of the area. The Puget Sound region is the state's largest
33 urban area and most important economic region, and it is in the
34 interest of the state to establish policies that facilitate
35 preservation and enhancement of the economic viability of this region.

1 (2) The state has the primary responsibility for providing state
2 highway capacity throughout the state, including the Puget Sound
3 region. However, state, regional, and local policies do not envision
4 construction of general purpose highway facilities to accommodate
5 future growth in the Puget Sound region, but instead rely on a number
6 of factors, especially attraction of single-occupant automobile users
7 to transit and ride-sharing alternatives. As a result the state has a
8 substantial and direct interest in the success of these policies to
9 substitute alternative modes of transport, including public transit.

10 (3) Regional and local authorities have, in accordance with state
11 and federal requirements, adopted a metropolitan transportation plan
12 that forecasts a significant increase in transit ridership both within
13 the constraints of existing resources and with expanded resources.

14 (4) The ridership trend of transit operators within the Puget Sound
15 region falls short of the rate necessary to achieve the long-term
16 transit ridership forecasts. Correction of this trend will require
17 substantial increases in service, to be achieved, in part, within
18 current resource constraints. However, these service increases are
19 unlikely to occur without a performance program that provides transit
20 operators with incentives to improve their cost-effectiveness.

21 (5) Transit agencies receive a substantial amount of state and
22 local funding, including funds from the motor vehicle excise tax, which
23 is declared to be a state tax, and local taxes authorized under state
24 law. The state has an interest in ensuring that these funds are used
25 cost-effectively. It is in the state's interest to establish a transit
26 performance program for the Puget Sound region.

27 NEW SECTION. **Sec. 17. DEFINITIONS.** The definitions set forth in
28 this section apply throughout this chapter.

29 (1) "Basic resource targets" mean ridership and service level
30 targets based upon the Puget Sound regional council metropolitan
31 transportation plan "financially constrained" strategy 2020 forecast in
32 effect as of January 1, 1996.

33 (2) "Bus" means a motor bus or trolley bus.

34 (3) "Expanded resource targets" mean the ridership and service
35 level targets based upon the Puget Sound regional council metropolitan
36 transportation plan "preferred" strategy forecast in effect as of
37 January 1, 1996.

1 (4) "Inflation adjustment" means adjustment of financial data using
2 the Consumer Price Index: Urban Wage Earners and Clerical Workers
3 (CPI-W) for Seattle-Tacoma, Washington, as published by the United
4 States department of labor.

5 (5) "Operating cost" means all operating costs reported through the
6 federal transit administration national transit data base as defined on
7 January 1, 1994, or its successor, including vehicle operations,
8 vehicle maintenance, nonvehicle maintenance, and general and
9 administrative costs.

10 (6) "Puget Sound region" means the area consisting of a county with
11 a population greater than one million persons, any counties abutting it
12 that have populations greater than four hundred thousand persons, and
13 any counties abutting it that have populations greater than two hundred
14 thousand persons and are served by the Washington state ferry system.

15 (7) "Puget Sound regional council" means the metropolitan planning
16 organization for the county having the largest population in the Puget
17 Sound region.

18 (8) "Unlinked passenger trip" has the meaning as defined under the
19 United States department of transportation, federal transit
20 administration national transit data base as of January 1, 1994.

21 (9) "Vehicle hour" has the meaning as defined under the United
22 States department of transportation, federal transit administration
23 national transit data base as of January 1, 1994.

24 NEW SECTION. **Sec. 18. PUGET SOUND TRANSIT PERFORMANCE PROGRAM.**

25 A Puget Sound transit performance program is established and applies to
26 the transit operations of all municipalities as defined in RCW
27 35.58.272 and the regional transit authority established under chapter
28 81.112 RCW in the Puget Sound region. The program consists of the
29 following:

30 (1) Unit cost, ridership, and service level performance targets for
31 the Puget Sound region and transit operators as provided by sections 19
32 through 26 of this act;

33 (2) Unit cost regulation as provided by sections 27 through 33 of
34 this act;

35 (3) The Puget Sound transit expansion account established by
36 section 34 of this act;

37 (4) Truth in planning reporting as provided by section 35 of this
38 act; and

1 (5) Related reporting requirements.

2 NEW SECTION. **Sec. 19. PERFORMANCE TARGETS.** The initial
3 performance targets for 2020 are:

4 (1) A unit cost target for each transit operator of \$56.00
5 operating cost per vehicle hour in 1994 dollars, converted to 1999
6 dollars through inflation adjustment. This cost per hour target is an
7 estimate of the cost level required to achieve the 2020 basic resource
8 ridership target under the assumptions of the metropolitan
9 transportation plan "financially constrained" strategy;

10 (2) Basic resource targets for ridership and service level as
11 defined in section 17 of this act;

12 (3) A ridership target of 185,000,000 unlinked passenger trips
13 annually, exclusive of services funded by the regional transit
14 authority.

15 NEW SECTION. **Sec. 20. INTERIM RIDERSHIP TARGETS.** The Puget Sound
16 regional council, in cooperation with and with the unanimous consent of
17 the transit operators, shall establish annual unlinked passenger trip
18 forecasts, allocated by transit operator. The annual forecasts must be
19 based upon achievement of the 2020 target of this chapter, and the
20 total unlinked passenger trip targets allocated to the operators must
21 balance to the total Puget Sound region unlinked passenger trip
22 forecasts. The total Puget Sound region ridership target in each year
23 must represent no less than eighty percent of the increase from the
24 base year that would be required under the "straight line default"
25 targets of section 21 of this act. The council shall forward notice of
26 interim target adoption to the state auditor, who upon certifying
27 consistency with the requirements of this chapter, shall use these
28 targets in administering unit cost regulation and in "truth in
29 planning" reporting.

30 NEW SECTION. **Sec. 21. RIDERSHIP STRAIGHT LINE DEFAULT TARGETS.**

31 (1) Until such time as interim ridership targets are certified by the
32 state auditor under section 20 of this act, the auditor shall use
33 straight line default targets in administering unit cost regulation and
34 "truth in planning" requirements. The unlinked passenger trip target
35 will be increased each year by 1/23 of the difference between the base
36 year 1997 unlinked trips and the 2020 target. The auditor shall

1 allocate individual operator targets for each year based upon the
2 percentage of base year Puget Sound region unlinked trips carried by
3 the operator.

4 (2) Straight line default targets apply to any year for which the
5 cooperative process in section 20 of this act did not result in
6 certification of the interim target before the commencement of that
7 year.

8 NEW SECTION. **Sec. 22. SERVICE LEVEL TARGETS.** (1) The Puget Sound
9 regional council shall establish a basic resource service level target
10 of 8,360,000 bus vehicle hours annually for 2020.

11 (2) The Puget Sound regional council, in cooperation with and with
12 the unanimous consent of the transit operators, shall establish annual
13 vehicle hour targets, allocated by transit operator. The annual
14 targets must be based upon achievement of the 2020 target in this
15 chapter, and the total annual vehicle hour targets allocated to the
16 operators must balance to the total Puget Sound region annual vehicle
17 hour targets. The total Puget Sound region ridership target in each
18 year must represent no less than eighty percent of the increase from
19 the base year that would be required under the "straight line default"
20 scenario of section 23 of this act. The council shall forward notice
21 of interim target adoption to the state auditor, who upon certifying
22 consistency with the requirements of this chapter, shall use these
23 targets in administering unit cost regulation and in "truth in
24 planning" reporting.

25 NEW SECTION. **Sec. 23. UNIT STRAIGHT LINE DEFAULT TARGETS.** Until
26 such time as interim service level targets are certified by the state
27 auditor under section 22 of this act, the state auditor shall use
28 straight line default targets in administering unit cost regulation and
29 "truth in planning" requirements. The vehicle hours target will be
30 increased each year by 1/23 of the difference between base year 1997
31 vehicle hours and the 2020 target. The auditor shall allocate
32 individual operator targets for each year based upon the percentage of
33 base year Puget Sound region vehicle hours provided by the operator.

34 NEW SECTION. **Sec. 24.** The state auditor shall revise future
35 annual service level targets for an operator to reflect any revision in
36 future cost per vehicle hour targets under section 30 of this act. The

1 new vehicle hour target in any year must be equal to the existing
2 vehicle hour target for the year multiplied by the preexisting cost per
3 vehicle hour target divided by the revised cost per vehicle hour
4 targets for the corresponding year. The auditor shall revise total
5 Puget Sound region service level targets to reflect the revised transit
6 operator service level targets.

7 NEW SECTION. **Sec. 25.** The Puget Sound regional council shall
8 establish interim expanded resource targets as defined in section 17 of
9 this act for the year 2020. The ridership target for the year 2020 is
10 295 million unlinked passenger trips annually. Following the general
11 procedures in sections 20 and 21 of this act, interim annual targets
12 must be established, submitted, and certified.

13 NEW SECTION. **Sec. 26.** In establishing the 2020 expanded service
14 level target, the Puget Sound regional council shall provide the 2020
15 incremental service level forecast using the metropolitan
16 transportation plan "preferred strategy" service level minus the
17 "financially constrained strategy" service level. Rail service must be
18 converted to bus equivalents using the federal transit administration
19 formula used in its latest biennial "needs" report to the United States
20 Congress, or its successor. The target is the incremental service
21 level plus the basic service level, stated in bus vehicle hours,
22 including bus vehicle hour equivalents of rail service. Following the
23 general procedures in sections 22 through 24 of this act, interim
24 annual targets must be established, submitted, and certified.

25 NEW SECTION. **Sec. 27. UNIT COST REGULATION.** (1) Each transit
26 operator in the Puget Sound region is subject to unit cost regulation
27 or CPI-X factor, as set forth in section 28 of this act.

28 (2) The state auditor shall administer unit cost regulation and
29 apply it to bus operating costs per vehicle hour of fixed route service
30 open to the general public. The auditor shall perform all calculations
31 and certifications required under this chapter in compliance with the
32 provisions of this chapter.

33 NEW SECTION. **Sec. 28. CALCULATION OF INITIAL CPI-X FACTOR.** (1)
34 The auditor shall calculate an initial CPI-X factor for each operator.
35 The CPI-X factor is the annual percentage decline in inflation adjusted

1 cost per vehicle hour necessary to reach the initial 2020 operating
2 cost per vehicle hour target in 2020 established in section 19(1) of
3 this act.

4 (2) The auditor shall calculate a schedule of annual cost per
5 vehicle hour targets for each year from the base year to 2020, with
6 each year's target reduced by the operator's CPI-X factor. The first
7 year's target is the base year actual cost per vehicle hour reduced by
8 the CPI-X factor. The targets must be expressed in inflation-adjusted
9 1999 dollars.

10 (3) The operating cost per vehicle hour target for each transit
11 operator will continue to decline by the CPI-X factor determined in
12 this section until the initial 2020 cost per vehicle hour target
13 established in section 19(1) of this act is met. Thereafter the cost
14 per vehicle hour target equals the initial 2020 cost per vehicle hour
15 target.

16 (4) The auditor shall assess these targets and provide a report to
17 the legislature not later than December 1, 2006.

18 NEW SECTION. **Sec. 29. COMPLIANCE.** (1) In any year, an operator
19 is in compliance if its bus operating cost per vehicle hour is equal to
20 or less than its operating cost per vehicle hour target and its
21 unlinked passenger trips are equal to or greater than its basic
22 resource unlinked passenger trips target.

23 (2) Each transit operator in compliance is not subject to the
24 reductions in motor vehicle excise tax provided for in section 32 of
25 this act.

26 NEW SECTION. **Sec. 30. REVISION OF A TRANSIT OPERATOR'S CPI-X**
27 **FACTOR.** (1) If an operator is in compliance with both its operating
28 cost per vehicle hour target and its unlinked passenger trips target,
29 the state auditor shall reduce the operator's CPI-X standard for future
30 years by ten percent of the operator's initial CPI-X factor.

31 (2) The auditor may not reduce an operator's CPI-X regulation
32 factor by more than fifty percent from the operator's initial CPI-X
33 factor.

34 (3) If an operator is not in compliance with both its operating
35 cost per vehicle hour target and its unlinked passenger trips target,
36 the auditor shall increase the operator's CPI-X factor for future years

1 by ten percent of the operator's initial CPI-X factor, not to exceed
2 the initial CPI-X factor.

3 (4) The auditor shall credit toward reducing the operating cost per
4 vehicle hour, the amount of fares received for any commuter service
5 that receives in fares, at least forty percent of the costs of
6 operating that service.

7 (5) The auditor shall recalculate future operating cost per vehicle
8 hour targets based upon any revision in an operator's CPI-X factor
9 following the approach of section 28(2) of this act.

10 NEW SECTION. **Sec. 31.** No arbitrator, administrative law judge, or
11 any other officer or authority may impose a labor contract award that
12 causes a transit operator to be out of compliance with its operating
13 cost per vehicle hour target at any point during the period of the
14 award. An operator aggrieved by an arbitration decision in violation
15 of this section may appeal the decision to a court of competent
16 jurisdiction.

17 NEW SECTION. **Sec. 32.** With respect to a year in which a transit
18 operator fails to achieve its operating cost per vehicle hour target:

19 (1) The state auditor shall reduce the operator's maximum level of
20 motor vehicle excise tax to be distributed to that municipality by the
21 product of the total vehicle hours operated in the subject year
22 multiplied by the extent to which the operating cost per vehicle hour
23 target is missed. This reduction takes effect in the first full fiscal
24 year after the due date of the transit operator's annual report
25 applying to the year in which the target is missed. The state auditor
26 shall annually determine the compliance or noncompliance of each
27 transit operator with unit cost regulation within ninety days of the
28 due date of the transit operator annual reports.

29 (2) Upon order of the auditor, the state treasurer shall hold in
30 escrow the amount by which the transit operator's excise tax
31 eligibility is reduced.

32 (3) If the transit operator achieves its operating cost per vehicle
33 hour target in the next year, the auditor shall restore the operator's
34 excise tax eligibility to the previous year's level, and shall notify
35 the treasurer to grant to the transit operator the funding that was
36 placed in escrow.

1 (4) If the transit operator fails to achieve its operating cost per
2 vehicle hour target in the next year, the auditor shall calculate a
3 factor by which the maximum rate of motor vehicle excise tax that the
4 municipality may impose under RCW 35.58.273 will be permanently
5 reduced, which must reflect the amount in escrow. In each year, the
6 auditor shall deposit this amount in the Puget Sound transit expansion
7 account created in section 34 of this act.

8 (5) Failure to achieve the operating cost per vehicle hour target
9 will disqualify the transit agency from receiving funds from the
10 central Puget Sound public transportation account.

11 NEW SECTION. **Sec. 33.** (1) The regional transit authority may not
12 award service contracts to a designated transit operator not in
13 compliance with its most recent annual unit cost target, as determined
14 by the state auditor, at the time of contract award.

15 (2) A regional transit authority may award service contracts to a
16 transit operator or company whose unit costs are equal to or less than
17 unit costs established for designated Puget Sound transit operators
18 during the term of the contract.

19 (3) Bus services directly operated at any time by the regional
20 transit authority are subject to the initial 2020 cost per vehicle hour
21 standard established in section 19(1) of this act.

22 NEW SECTION. **Sec. 34.** A new section is added to chapter 47.26 RCW
23 to read as follows:

24 **PUGET SOUND TRANSIT EXPANSION ACCOUNT.** (1) The Puget Sound transit
25 expansion account is created in the custody of the state treasurer.
26 All receipts from section 32(4) of this act must be deposited into the
27 account. Expenditures from the account may be used only for transit
28 projects selected under this section.

29 (2) The transportation improvement board shall administer a
30 competitive grant program to provide funds for eligible agencies within
31 the Puget Sound region to expand transit services using the Puget Sound
32 transit expansion account.

33 (3) The criteria for projects to be funded from this account
34 include, but are not limited to:

35 (a) The projects must be within the Puget Sound region;

36 (b) Eligible projects are limited to general purpose transit
37 service and improvements to the high-occupancy vehicle lane system;

1 (c) Priority will be given to projects that maximize transit
2 ridership and minimize operating costs;

3 (d) To the extent feasible, and consistent with other criteria,
4 allocations should reflect the general distribution of state funding
5 reduction by county jurisdiction.

6 (4) Eligible agencies include:

7 (a) Municipalities operating public transit services that are in
8 compliance with their operating cost per vehicle hour targets;

9 (b) Any other unit of government in the region, including state
10 agencies, counties, municipalities, school districts, special
11 districts, or a combination of them.

12 NEW SECTION. **Sec. 35. TRUTH IN PLANNING REQUIREMENT.** The state
13 auditor shall produce a "truth in planning" report to the governor and
14 the legislature by November 30th of each even-numbered year. The
15 report must provide the following information through the most recent
16 fiscal year for which data is available:

17 (1) Required findings. The findings in this subsection are based
18 upon the metropolitan transportation plan as in effect on January 1,
19 1996, for both the financially constrained and preferred strategies,
20 the basic resource and expanded resource targets. Separate findings
21 need to be made under each strategy for the Puget Sound region in total
22 and for each of the transit operators:

23 (a) Percentage variance of total unlinked passenger trips relative
24 to the forecast;

25 (b) Percentage variance of change in unlinked passenger trips from
26 the base year compared to the forecast;

27 (c) Percentage variance of change in unlinked passenger trips
28 during the latest biennium compared to the forecast;

29 (d) Percentage variance of total bus vehicle hours relative to the
30 forecast;

31 (e) Percentage variance of the change in bus vehicle hours from the
32 base year compared to the forecast;

33 (f) Percentage variance of the change in bus vehicle hours during
34 the latest biennium compared to the forecast;

35 (2) Summary tables for the Puget Sound region and each operator,
36 showing the following information under the metropolitan transportation
37 plan "financially constrained" and "preferred" strategies:

1 (a) Total forecast unlinked passenger trips, actual unlinked
2 passenger trips, the difference between forecast and actual, and the
3 percentage of variance;

4 (b) Total forecast change in unlinked passenger trips since the
5 base year, the actual change, the difference between forecast and
6 actual, and the percentage of variance;

7 (c) Total forecast change in unlinked passenger trips during the
8 last biennium, the actual change, the difference between forecast and
9 actual, and the percentage of variance;

10 (d) Total forecast bus vehicle hours, actual bus vehicle hours, the
11 difference between forecast and actual, and the percentage of variance;

12 (e) Total forecast change in bus vehicle hours since the base year,
13 the actual change, the difference between forecast and actual, and the
14 percentage of variance;

15 (f) Total forecast change in bus vehicle hours during the last
16 biennium, the actual change, the difference between forecast and
17 actual, and the percentage of variance;

18 (3) Detailed versions of all tables required as summary tables
19 under subsection (2) of this section for each year from 1997 to 2020,
20 to the extent available, for the Puget Sound region and each transit
21 operator;

22 (4) Charts with graphics that clearly and effectively depict short-
23 term (base year to present) and long-term trends (base year to 2020) in
24 unlinked passenger trips and bus vehicle hours for the Puget Sound
25 region and each transit operator.

26 By June 1st of each year, all designated Puget Sound transit
27 operators shall submit to the department of transportation an estimate
28 of the number and percentage of discretionary passengers who rode their
29 systems during the previous year and an estimate of the percentage of
30 all vehicular trips made on transit within their service territories
31 during the previous year. The department shall publish this data in
32 its annual public transportation report as provided in RCW 35.58.2796.
33 A discretionary passenger is a person with access to a single occupant
34 vehicle who has chosen to ride transit instead of driving alone in an
35 automobile.

36 NEW SECTION. **Sec. 36.** A new section is added to chapter 47.80 RCW
37 to read as follows:

1 A regional transportation planning organization for a county with
2 a population of at least one million persons has the following duties:

3 (1) Prepare and periodically update a transportation strategy for
4 the region. The strategy must address alternative transportation modes
5 and transportation demand management measures in regional corridors and
6 shall recommend preferred transportation policies to implement adopted
7 growth strategies. The strategy serves as a guide in preparation of
8 the regional transportation plan.

9 At minimum, the regional strategy must address, at least every two
10 years, a regional public transportation strategy addressing short-range
11 (six-year) transportation system needs and deficiencies, as further
12 described in this section, must be prepared, approved, and submitted to
13 the department by December 15, 1997. The strategy must contain at
14 least the following components: (a) Documentation of biennial progress
15 implementing regionally significant public transportation system
16 service, facility, and program improvements addressing regional public
17 transportation system needs and deficiencies identified in the previous
18 regional transportation strategy report; (b) documentation and
19 evaluation, using the most recently available data, of the current
20 performance of the regional public transportation system, summarized
21 for the overall regional transportation system and also reported by
22 mode for people movement; and (c) a component identifying priority
23 regional public transportation corridor and subarea transportation
24 system needs and deficiencies that should be addressed by public
25 transportation providers in their subsequent six-year transportation
26 improvement programs. The performance component of the regional
27 strategy report must further specifically describe, at least for the
28 public transportation element, how the most recent monitoring data
29 available for actual transportation system performance compares with
30 intended transportation system performance objectives developed for the
31 regional transportation system consistent with strategies and policies
32 adopted in the regional transportation plan.

33 (2) Prepare a regional transportation plan as set forth in RCW
34 47.80.030 that is consistent with county-wide planning policies if
35 those policies have been adopted under chapter 36.70A RCW, with county,
36 city, and town comprehensive plans, and state transportation plans.
37 The plan must also be developed and updated to consider public
38 transportation mobility needs for people in the regional transportation

1 plans prepared by regional transportation planning organizations whose
2 designated planning areas abut that area.

3 (3) Certify by December 31, 1998, that the six-year transit
4 development plans prepared under RCW 35.58.2795 by municipalities
5 defined in RCW 35.58.272 are consistent with the adopted regional
6 transportation plan. Every two years thereafter, the certification
7 must be reviewed for currency and consistency with subsequent updates
8 of six-year transit development plans for such municipalities, and the
9 executive board of the regional transportation planning organization
10 shall either recertify or decertify each municipality based upon a
11 determination of consistency between updated six-year transit
12 development plans and the adopted regional transportation plan and the
13 regional transportation system needs identified in regional
14 transportation strategy reports. After December 31, 1998,
15 certification or recertification of six-year transit development plans
16 is a minimum requirement for municipalities defined in RCW 35.58.272 to
17 be eligible to apply for discretionary fund account programs managed by
18 the transportation improvement board.

19 (4) Where appropriate, certify that county-wide planning policies
20 adopted under RCW 36.70A.210 and the adopted regional transportation
21 plan are consistent.

22 (5) Develop, in cooperation with the department, operators of
23 public transportation services, and local governments within the
24 region, a six-year regional transportation improvement program that
25 proposes regionally significant projects and programs and
26 transportation demand management measures. The regional transportation
27 improvement program must be based on the programs, projects, and
28 transportation demand management measures of regional significance as
29 identified by transit agencies, cities, and counties under RCW
30 35.58.2795, 35.77.010, and 36.81.121, respectively, and that address
31 and support the priority regional transportation system needs and
32 deficiencies identified in regional transportation strategy reports
33 prepared under RCW 47.80.023(1). The program must include a priority
34 list of projects and programs, project segments and programs,
35 transportation demand management measures, and a specific financial
36 plan that demonstrates how the transportation improvement program can
37 be funded. The program must be updated at least every two years for
38 the ensuing six-year period.

1 (6) Designate a lead planning agency to coordinate preparation of
2 the regional transportation plan and carry out the other
3 responsibilities of the organization. The lead planning agency may be
4 a regional organization, a component county, city, or town agency, or
5 the appropriate department district office.

6 **Sec. 37.** RCW 47.80.023 and 1994 c 158 s 2 are each amended to read
7 as follows:

8 Each regional transportation planning organization (~~shall have~~)
9 that does not contain a county with a population of more than one
10 million persons has the following duties:

11 (1) Prepare and periodically update a transportation strategy for
12 the region. The strategy shall address alternative transportation
13 modes and transportation demand management measures in regional
14 corridors and shall recommend preferred transportation policies to
15 implement adopted growth strategies. The strategy shall serve as a
16 guide in preparation of the regional transportation plan.

17 (2) Prepare a regional transportation plan as set forth in RCW
18 47.80.030 that is consistent with county-wide planning policies if such
19 have been adopted pursuant to chapter 36.70A RCW, with county, city,
20 and town comprehensive plans, and state transportation plans.

21 (3) Certify by December 31, 1996, that the transportation elements
22 of comprehensive plans adopted by counties, cities, and towns within
23 the region reflect the guidelines and principles developed pursuant to
24 RCW 47.80.026, are consistent with the adopted regional transportation
25 plan, and, where appropriate, conform with the requirements of RCW
26 36.70A.070.

27 (4) Where appropriate, certify that county-wide planning policies
28 adopted under RCW 36.70A.210 and the adopted regional transportation
29 plan are consistent.

30 (5) Develop, in cooperation with the department of transportation,
31 operators of public transportation services and local governments
32 within the region, a six-year regional transportation improvement
33 program which proposes regionally significant transportation projects
34 and programs and transportation demand management measures. The
35 regional transportation improvement program shall be based on the
36 programs, projects, and transportation demand management measures of
37 regional significance as identified by transit agencies, cities, and
38 counties pursuant to RCW 35.58.2795, 35.77.010, and 36.81.121,

1 respectively. The program shall include a priority list of projects
2 and programs, project segments and programs, transportation demand
3 management measures, and a specific financial plan that demonstrates
4 how the transportation improvement program can be funded. The program
5 shall be updated at least every two years for the ensuing six-year
6 period.

7 (6) Designate a lead planning agency to coordinate preparation of
8 the regional transportation plan and carry out the other
9 responsibilities of the organization. The lead planning agency may be
10 a regional organization, a component county, city, or town agency, or
11 the appropriate Washington state department of transportation district
12 office.

13 NEW SECTION. **Sec. 38.** Sections 16 through 33 and 35 of this act
14 constitute a new chapter in Title 47 RCW.

15 NEW SECTION. **Sec. 39.** Sections 16 through 33 and 35 of this act
16 take effect January 1, 1999.

17 NEW SECTION. **Sec. 40.** Section captions used in this act are not
18 part of the law.

19 NEW SECTION. **Sec. 41.** Sections 7 and 9 through 11 of this act are
20 necessary for the immediate preservation of the public peace, health,
21 or safety, or support of the state government and its existing public
22 institutions, and take effect July 1, 1997.

23 NEW SECTION. **Sec. 42.** Section 7 of this act expires June 30,
24 2003.

25 NEW SECTION. **Sec. 43.** Section 12 of this act takes effect July 1,
26 2003.

--- END ---