
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, and 49.60.215; adding a new section to
4 chapter 39.34 RCW; adding new sections to chapter 35.58 RCW; creating
5 new sections; providing effective dates; providing an expiration date;
6 and declaring an emergency.

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

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

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

1 significant operating changes planned for the system, and how the
2 municipality intends to fund program needs. The program must identify
3 local strategies, goals, and performance objectives, as well as
4 measures and standards of how they are being met. Revenue forecasts
5 for each municipality must reflect revenue forecasts developed by the
6 state except where stated otherwise and an explanation is provided as
7 to why those forecasts were not used.

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

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

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

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

1 department shall make a copy of the report available electronically on
2 the internet, or through equivalent means.

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

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

17 (1) Equipment and facilities, including vehicle replacement
18 standards;

19 (2) Services and service standards;

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

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

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

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

35 When developing transit vehicle acquisition plans, or acquisition
36 plans for vehicles that could be used for public transportation
37 purposes, each public agency shall distribute those plans to the
38 department of transportation and shall, to the extent possible, allow

1 other agencies to combine transit vehicle procurement with that agency.
2 The department of transportation shall disseminate this information,
3 including future acquisition plans, to agencies that intend to make
4 transit-type vehicle purchases.

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

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

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

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

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

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

31 (3) The resolution or petition shall describe the boundaries of the
32 area to be annexed. It shall require that there also be submitted to
33 the electorate of the territory sought to be annexed a proposition
34 authorizing the inclusion of the area within the public transportation
35 benefit area and authorizing the imposition of such taxes authorized by
36 law to be collected by the authority. The proposition must be placed
37 on the ballot not later than the next general election.

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

3 (1) Beginning January 1, 2000, no municipality as defined in RCW
4 35.58.272 may have cash holding and other reserves greater than two
5 hundred percent of the previous year's operating expense. By January
6 1, 1999, the governing authority of each municipality shall adopt a
7 policy and schedule to meet this requirement. For the purposes of this
8 section, reserves are defined as all cash and investment, restricted or
9 unrestricted. It does not include employee retirement plans, Section
10 457 plans or their successors, and similar plans. This section applies
11 only to those expenditures, revenues, and reserves related to the
12 public transportation functions of municipalities.

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

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

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

35 Effective January 1, 1998, the legislative authority of each
36 municipality shall have in place an adopted policy for the investment
37 of cash and other reserves in order to be eligible to receive

1 distributions of the motor vehicle excise tax under RCW 82.44.150 that
2 are imposed under RCW 35.58.273.

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

5 The state auditor shall provide for a performance audit of the
6 transit functions of each municipality imposing the motor vehicle
7 excise tax under RCW 35.58.273, except those municipalities located in
8 a county with a population of at least one million persons, and those
9 municipalities located in a county of at least four hundred thousand
10 persons and bordering a county with a population of at least one
11 million persons. An audit must be done once every three 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. When developing this audit
29 process, the auditor shall consult with the department of
30 transportation and the legislative transportation committee.

31 The auditor may contract to conduct the audits. The auditor shall
32 produce a report of its findings and recommendations and provide it to
33 the legislative transportation committee, the department of
34 transportation, and the municipality's governing authority. Each
35 municipality shall reimburse the auditor for the cost of the audit
36 within three months after receipt of its report.

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

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

18 (2) ~~Through June 30, 1992,~~) The legislature acknowledges the need
19 for funding of public transportation programs. As a mechanism to
20 provide state support of local programs, subject to those requirements
21 set forth in state law, any ((other)) municipality is authorized to
22 levy and collect a special excise tax not exceeding ((.815 percent, and
23 beginning July 1, 1992,)) .725 percent on the value, as determined
24 under chapter 82.44 RCW, of every motor vehicle owned by a resident of
25 such municipality for the privilege of using such motor vehicle
26 provided that in no event shall the tax be less than one dollar and,
27 subject to RCW 82.44.150 (3) and (4), the amount of such tax shall be
28 credited against the amount of the excise tax levied by the state under
29 RCW 82.44.020(1). Before utilization of any excise tax moneys
30 collected under authorization of this section for acquisition of right
31 of way or construction of a mass transit facility on a separate right
32 of way the municipality shall adopt rules affording the public an
33 opportunity for "corridor public hearings" and "design public hearings"
34 as herein defined, which rule shall provide in detail the procedures
35 necessary for public participation in the following instances: (a)
36 Prior to adoption of location and design plans having a substantial
37 social, economic or environmental effect upon the locality upon which
38 they are to be constructed or (b) on such mass rapid transit systems
39 operating on a separate right of way whenever a substantial change is

1 proposed relating to location or design in the adopted plan. In
2 adopting rules the municipality shall adhere to the provisions of the
3 Administrative Procedure Act.

4 ~~((+3+))~~ (2) A "corridor public hearing" is a public hearing that:
5 (a) Is held before the municipality is committed to a specific mass
6 transit route proposal, and before a route location is established; (b)
7 is held to afford an opportunity for participation by those interested
8 in the determination of the need for, and the location of, the mass
9 rapid transit system; (c) provides a public forum that affords a full
10 opportunity for presenting views on the mass rapid transit system route
11 location, and the social, economic and environmental effects on that
12 location and alternate locations: PROVIDED, That such hearing shall
13 not be deemed to be necessary before adoption of an overall mass rapid
14 transit system plan by a vote of the electorate of the municipality.

15 ~~((+4+))~~ (3) A "design public hearing" is a public hearing that:
16 (a) Is held after the location is established but before the design is
17 adopted; and (b) is held to afford an opportunity for participation by
18 those interested in the determination of major design features of the
19 mass rapid transit system; and (c) provides a public forum to afford a
20 full opportunity for presenting views on the mass rapid transit system
21 design, and the social, economic, environmental effects of that design
22 and alternate designs.

23 ~~((+5+))~~ (4) A municipality imposing a tax under subsection (1) ~~((or~~
24 ~~+2+))~~ of this section may also impose a sales and use tax, in addition
25 to the tax authorized by RCW 82.14.030, upon retail car rentals within
26 the municipality that are taxable by the state under chapters 82.08 and
27 82.12 RCW. The rate of tax shall bear the same ratio to the rate
28 imposed under RCW 82.08.020(2) as the excise tax rate imposed under
29 subsection (1) of this section bears to the excise tax rate imposed
30 under RCW 82.44.020 (1) and (2). The base of the tax shall be the
31 selling price in the case of a sales tax or the rental value of the
32 vehicle used in the case of a use tax. The tax imposed under this
33 section shall be deducted from the amount of tax otherwise due under
34 RCW 82.08.020(2). The revenue collected under this subsection shall be
35 distributed in the same manner as the special excise ~~((taxes))~~ tax
36 under subsection~~((s))~~ (1) ~~((and+2+))~~ of this section.

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

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

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

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

30 (a) To the high capacity transportation account created in RCW
31 47.78.010, a sum equal to four and five-tenths percent of the special
32 excise tax levied under RCW 35.58.273 by those municipalities
33 authorized to levy a special excise tax within each county that has a
34 population of one hundred seventy-five thousand or more and has an
35 interstate highway within its borders; except that in a case of a
36 municipality located in a county that has a population of one hundred
37 seventy-five thousand or more that does not have an interstate highway
38 located within its borders, that sum shall be deposited in the
39 passenger ferry account;

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

21 (c) To the public transportation systems account created in RCW
22 82.44.180, for revenues distributed after (~~December 31, 1992~~) June
23 30, 1997, within counties not described in (b) of this subsection, a
24 sum equal to (~~the difference between (i) the special excise tax levied~~
25 ~~and collected under RCW 35.58.273 by those municipalities authorized to~~
26 ~~levy and collect a special excise tax subject to the requirements of~~
27 ~~subsections (3) and (4) of this section and (ii) the special excise tax~~
28 ~~that the municipality would otherwise have been eligible to levy and~~
29 ~~collect at a tax rate of .815 percent and been able to match with~~
30 ~~locally generated tax revenues, other than the excise tax imposed under~~
31 ~~RCW 35.58.273, budgeted for any public transportation purpose. Before~~
32 ~~this deposit, the sum shall be reduced by an amount equal to the amount~~
33 ~~distributed under (a) of this subsection for each of the municipalities~~
34 ~~within the counties to which this subsection (2)(c) applies; however,~~
35 ~~any transfer under this subsection (2)(c) must be greater than zero~~)
36 one and twenty-three hundredths percent of the special excise tax
37 levied and collected under RCW 35.58.273; ((and))

38 (d) To the general fund, for revenues distributed after June 30,
39 1993, and to the transportation fund, for revenues distributed after

1 June 30, 1995, a sum equal to the difference between (i) the special
2 excise tax levied and collected under RCW 35.58.273 by those
3 municipalities authorized to levy and collect a special excise tax
4 subject to the requirements of subsections (3) and (4) of this section
5 and (ii) the special excise tax that the municipality would otherwise
6 have been eligible to levy and collect at a tax rate of .815 percent
7 notwithstanding the requirements set forth in subsections (3) through
8 (6) of this section, reduced by an amount equal to distributions made
9 under (a), (b), and (c) of this subsection and RCW 82.14.046;

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

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

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

26 (b) In no event may the amount remitted in a single calendar
27 quarter exceed the amount collected on behalf of the municipality under
28 RCW 35.58.273 during the calendar quarter next preceding the
29 immediately preceding quarter, excluding the sales and use tax
30 equalization distributions provided under RCW 82.14.046 and less an
31 amount provided for in section 5 of this act.

32 (4) At the close of each calendar year accounting period, but not
33 later than April 1, each municipality that has received motor vehicle
34 excise taxes under subsection (3) of this section shall transmit to the
35 director of licensing and the state auditor a written report showing by
36 source the previous year's budgeted tax revenues for public
37 transportation purposes as compared to actual collections. Any
38 municipality that has not submitted the report by April 1 shall cease
39 to be eligible to receive motor vehicle excise taxes under subsection

1 (3) of this section until the report is received by the director of
2 licensing. If a municipality has received more or less money under
3 subsection (3) of this section for the period covered by the report
4 than it is entitled to receive by reason of its locally-generated
5 collected tax revenues, the director of licensing shall, during the
6 next ensuing quarter that the municipality is eligible to receive motor
7 vehicle excise tax funds, increase or decrease the amount to be
8 remitted in an amount equal to the difference between the locally-
9 generated budgeted tax revenues and the locally-generated collected tax
10 revenues. In no event may the amount remitted for a calendar year
11 exceed the amount collected on behalf of the municipality under RCW
12 35.58.273 during that same calendar year excluding the sales and use
13 tax equalization distributions provided under RCW 82.14.046. At the
14 time of the next fiscal audit of each municipality, the state auditor
15 shall verify the accuracy of the report submitted and notify the
16 director of licensing of any discrepancies.

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

20 (6) Any municipality levying and collecting a tax under RCW
21 35.58.273 which does not have an operating, public transit system or a
22 contract for public transportation services in effect within one year
23 from the initial effective date of the tax shall return to the state
24 treasurer all motor vehicle excise taxes received under subsection (3)
25 of this section.

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

28 (1) The transportation fund is created in the state treasury.
29 Revenues under RCW 82.44.020 (1) and (2), 82.44.110, 82.44.150, and the
30 surcharge under RCW 82.50.510 shall be deposited into the fund as
31 provided in those sections.

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

37 (2) There is hereby created the central Puget Sound public
38 transportation account within the transportation fund. Moneys

1 deposited into the account under RCW 82.44.150(2)(b) shall be
2 appropriated to the transportation improvement board and allocated by
3 the transportation improvement board to public transportation projects
4 submitted by a public agency within the region from which the funds are
5 derived, solely for:

6 (a) Planning;

7 (b) Development of capital projects;

8 (c) Development of high capacity transportation systems as defined
9 in RCW 81.104.015;

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

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

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

21 (3) There is hereby created the public transportation systems
22 account within the transportation fund. Moneys deposited into the
23 account under RCW 82.44.150(2)(c) shall be appropriated to the
24 transportation improvement board and allocated by the transportation
25 improvement board to public transportation projects submitted by
26 ~~((the))~~ a public ~~((transportation systems from which the funds are~~
27 ~~derived))~~ agency within the boundaries of a municipality defined in RCW
28 35.58.272, excluding agencies located within the counties identified in
29 RCW 82.44.150(2)(b), solely for:

30 (a) Planning;

31 (b) Development of capital projects;

32 (c) Development of high capacity transportation systems as defined
33 in RCW 81.104.015;

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

36 (e) Other public transportation system-related roadway projects on
37 state highways, county roads, or city streets; ~~((and))~~

1 (f) Public transportation system contributions required to fund
2 projects under federal programs and those approved by the
3 transportation improvement board from other fund sources; and

4 (g) Performance audits as required by section 7 of this act for the
5 smallest twelve transit agencies, as measured by the previous year's
6 operating budget.

7 Priority will be given to projects under (a) through (g) of this
8 subsection that promote cross-jurisdictional travel and service
9 coordination among public agencies that provide transportation. All
10 projects funded under this subsection are subject to a minimum thirty
11 percent matching requirement by the organization submitting the
12 project.

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

15 There is hereby established in the state treasury the high capacity
16 transportation account. Money in the account shall be used, after
17 appropriation, for local high capacity transportation purposes
18 including rail freight and commute trip reduction activities.

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

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

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

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

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

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

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

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

24 NEW SECTION. **Sec. 16.** The legislature finds and declares that
25 improved coordination between public transit agencies and other public
26 agencies providing transportation services for their clients would
27 improve service delivery and reduce public costs. This section will
28 address the Agency Council on Coordinated Transportation.

29 NEW SECTION. **Sec. 17.** Sections 7 and 9 through 11 of this act are
30 necessary for the immediate preservation of the public peace, health,
31 or safety, or support of the state government and its existing public
32 institutions, and take effect July 1, 1997.

33 NEW SECTION. **Sec. 18.** Section 7 of this act expires June 30,
34 2003.

1 NEW SECTION. **Sec. 19.** Section 12 of this act takes effect July 1,
2 2003.

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