

**3ESSB 5327 - H AMD 397 ADOPTED 6/21/01**

By Representative

Strike everything after the enacting clause and insert the following:

**"2001-03 BIENNIUM**

NEW SECTION. **Sec. 1.** (1) The transportation budget of the state is hereby adopted and, subject to the provisions set forth, the several amounts specified, or as much thereof as may be necessary to accomplish the purposes designated, are hereby appropriated from the several accounts and funds named to the designated state agencies and offices for employee compensation and other expenses, for capital projects, and for other specified purposes, including the payment of any final judgments arising out of such activities, for the period ending June 30, 2003.

(2) Legislation with fiscal impacts enacted in the 2001 legislative session not assumed in this act are not funded in the 2001-03 transportation budget.

(3) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this act.

(a) "Fiscal year 2002" or "FY 2002" means the fiscal year ending June 30, 2002.

(b) "Fiscal year 2003" or "FY 2003" means the fiscal year ending June 30, 2003.

(c) "FTE" means full-time equivalent.

(d) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(e) "Provided solely" means the specified amount may be spent only for the specified purpose.

(f) "Performance-based budgeting" means a budget that bases resource needs on quantified outcomes and results expected from use of the total appropriation. "Performance-based budgeting" does not mean incremental budgeting that focuses on justifying changes from the historic budget or to line-item input-driven budgets.

(g) "Goals" means the statements of purpose that identify a desired result or outcome. The statements shall be realistic, achievable,

directive, assignable, evaluative, and logically linked to the agency's mission and statutory mandate.

(h) "Strategic plan" means the strategies agencies create for investment choices in the future. All agency strategic plans shall present alternative investment strategies for providing services.

**GENERAL GOVERNMENT AGENCIES--OPERATING**

**NEW SECTION. Sec. 101. FOR THE DEPARTMENT OF AGRICULTURE**

Motor Vehicle Account--State Appropriation . . . . . \$ 305,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity: The entire appropriation is provided solely for costs associated with the motor fuel quality program.

**NEW SECTION. Sec. 102. FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM**

Motor Vehicle Account--State Appropriation . . . . . \$ 1,676,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity: \$1,188,000 of the motor vehicle account--state appropriation is provided for the implementation of House Bill No. 2269 in the form enacted by the legislature. If House Bill No. 2269 is not enacted in the form passed by the legislature by July 31, 2001, this funding will lapse.

**NEW SECTION. Sec. 103. FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

Grade Crossing Protective Account--  
State Appropriation . . . . . \$ 126,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity: The utilities and transportation commission shall develop a rail grade crossing safety grant program which will fully fund selected safety projects to the extent allowable under chapter 81.53 RCW.

NEW SECTION. **Sec. 104. FOR THE STATE PARKS AND RECREATION COMMISSION**

Motor Vehicle Account--State Appropriation . . . . . \$ 819,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity: The appropriation in this section is provided solely for road maintenance purposes.

NEW SECTION. **Sec. 105. FOR THE OFFICE OF STATE AUDITOR**

Motor Vehicle Account--State Appropriation . . . . . \$ 126,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity: The appropriation is a one-time appropriation for the development of the local government finance project.

NEW SECTION. **Sec. 106. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**

State Patrol Highway Account--State

Appropriation . . . . . \$ 50,000

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

The entire appropriation is provided to the joint legislative audit and review committee for fiscal year 2002 solely for a study of the state patrol's communications systems planning process. The focus of the study is: A review of the planning process and analyses employed by the Washington state patrol in developing budget requests for its communications systems including the Meng Value Analysis as reported on March 22, 1999; an assessment of the adequacy of the information supporting the budget requests; and recommendations for any improvements to such information for present and future budget requests. The committee may contract for consulting services in conducting the study. The study final report shall be submitted to the appropriate committees of the legislature by December 31, 2001.

A joint workgroup of representatives from the state patrol, office of financial management, and department of information systems shall review future state patrol technology plans or budget reports for consistency with the recommendations identified by this study.

GENERAL GOVERNMENT AGENCIES--CAPITAL

NEW SECTION.      **Sec. 107.**      **FOR WASHINGTON STATE PARKS AND RECREATION--CAPITAL PROJECTS**

Motor Vehicle Account--State Appropriation . . . . . \$            763,000

The motor vehicle account--state appropriation is a one-time reappropriation and is provided solely for the projects specified in this section. Any of the appropriations not expended by June 30, 2003, shall revert to the motor vehicle account--state.

(End of part)

**TRANSPORTATION AGENCIES**

<u>NEW SECTION.</u>	<b>Sec. 201.</b>	<b>FOR THE WASHINGTON TRAFFIC SAFETY</b>	
<b>COMMISSION</b>			
Highway Safety Account--State Appropriation . . .	\$		1,638,000
Highway Safety Account--Federal Appropriation . .	\$		5,671,000
School Zone Safety Account--State Appropriation .	\$		1,504,000
TOTAL APPROPRIATION . . . . .	\$		8,813,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity: The Washington traffic safety commission may oversee no more than four pilot projects implementing the use of traffic safety cameras at school zones, railroad crossings, construction zones or stoplights, and no more than one pilot project regarding the use of traffic safety cameras in residential neighborhoods, at school zones, railroad crossings, construction zones, or stoplights.

(1) In order to ensure adequate time in the 2001-03 biennium to evaluate the effectiveness of the pilot program, any programs authorized by the commission must be authorized by December 31, 2001.

(2) If the state, a county, or a city has established an authorized traffic safety camera pilot program under this section, the compensation paid to the manufacturer or vendor of the equipment used: Must be based upon the value of the equipment and services provided or rendered in support of the system; and may not be based upon a portion of the fine or civil penalty imposed or the revenue generated by the equipment.

(3) The traffic safety commission shall use the following guidelines to administer the program:

(a) Traffic safety cameras may take pictures of the vehicle and vehicle license plate only;

(b) The law enforcement agency of the city or county government shall plainly mark the locations where the automated traffic enforcement system is used by placing signs on street locations that clearly indicate to a driver that he or she is entering a zone where traffic laws are enforced by an automated traffic enforcement system;

(c) Cities and counties using traffic safety cameras must provide periodic notice by mail to its citizens indicating the zones in which the traffic safety cameras will be used;

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

(e) The owner of the vehicle is not responsible for the violation if the owner of the vehicle, within fifteen days after notification of the violation, furnishes the officials or agents of the municipality that issued the citation with:

(i) An affidavit made under oath, stating that the vehicle involved was, at the time, stolen or in the care, custody, or control of some person other than the registered owner; or

(ii) Testimony in open court under oath that the person was not the operator of the vehicle at the time of the alleged violation;

(f) Infractions detected through the use of traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120; and

(g) By January 1, 2003, the traffic safety commission shall provide a report to the legislature regarding the use, public acceptance, outcomes, and other relevant issues regarding traffic safety cameras demonstrated by the pilot projects.

**NEW SECTION. Sec. 202. FOR THE BOARD OF PILOTAGE COMMISSIONERS**

Pilotage Account--State Appropriation . . . . . \$ 305,000

**NEW SECTION. Sec. 203. FOR THE COUNTY ROAD ADMINISTRATION BOARD**

Rural Arterial Trust Account--State

Appropriation . . . . . \$ 50,182,000

Motor Vehicle Account--State Appropriation . . . \$ 1,887,000

County Arterial Preservation Account--

State Appropriation . . . . . \$ 28,551,000

TOTAL APPROPRIATION . . . . . \$ 80,620,000

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

It is the intent of the legislature that the county road administration board receive separate programmatic appropriations for the operating program and the capital program for the 2001-03 biennium,

and thereafter. Agency administrative costs may not be charged against projects or funded from the capital program appropriations.

(1) \$1,540,000 of the motor vehicle account--state appropriation, \$870,000 of the county arterial preservation account--state appropriation, and \$917,000 of the rural arterial trust account--state appropriation are provided for the operations program. Of the motor vehicle account--state appropriation, \$368,000 is provided for county ferries as set forth in RCW 47.56.724(4).

(2) \$347,000 of the motor vehicle account--state appropriation, \$27,681,000 of the county arterial preservation account--state appropriation, and \$49,265,000 of the rural arterial trust account--state appropriation are provided for the capital program.

**NEW SECTION. Sec. 204. FOR THE TRANSPORTATION IMPROVEMENT BOARD**

Urban Arterial Trust Account--State

Appropriation . . . . . \$ 94,690,000

Transportation Improvement Account--

State Appropriation . . . . . \$ 118,605,000

TOTAL APPROPRIATION . . . . . \$ 213,295,000

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

It is the intent of the legislature that the transportation improvement board receive separate programmatic appropriations for the operating program and the capital program for the 2001-03 biennium, and thereafter. Agency administrative costs may not be charged against projects or funded from the capital program appropriations.

(1) \$1,551,000 of the transportation improvement account--state appropriation and \$1,552,000 of the urban arterial trust account--state appropriation are provided for the operations program.

(2) \$117,054,000 of the transportation improvement account--state appropriation and \$93,138,000 of the urban arterial trust account--state appropriation are provided for the capital program.

(3) The transportation improvement account--state appropriation includes \$47,325,000 in proceeds from the sale of bonds authorized in RCW 47.26.500. The transportation improvement board may authorize the use of current revenues available to the agency in-lieu of bond proceeds for any part of the state appropriation.

NEW SECTION.      **Sec. 205.      FOR THE LEGISLATIVE TRANSPORTATION  
COMMITTEE**

Motor Vehicle Account--State Appropriation . . . \$                    3,596,000

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

(1) \$2,823,000 of the motor vehicle account--state appropriation is provided for the operation of the house of representatives transportation committee.

(2) To the extent possible, this appropriation shall utilize funds allocated under RCW 46.68.110(2).

(3) The house of representatives transportation committee shall conduct a study of the use of motorized scooters. The study shall, at a minimum, identify and analyze the safety issues associated with use of motorized scooters, including use by children, commuters, and the disabled. House of representatives transportation committee cochairs shall each appoint one member from their respective caucus to serve as cochair of the study group. The chair of the senate transportation committee may also appoint two members from the senate transportation committee, one from each caucus, to participate in the study. The study shall be staffed by house of representatives transportation committee staff. The study group shall report back to the house of representatives transportation committee by January 1, 2002.

(4) The house of representatives transportation committee shall conduct a study of the effect of the weight of fire-fighting apparatus on state roadways. The study shall determine, at a minimum, the various types of fire-fighting apparatus currently in use on state roadways; the size, weight and load effect of fire-fighting apparatus that are currently in use or that potentially could be in use on the state roadways, as well as on state bridges; and the effect on public safety. The study may examine state and federal laws that affect fire-fighting apparatuses. House of representatives transportation committee cochairs shall each appoint one member from their respective caucus to serve as cochair of the study group. The study shall be staffed by house of representatives transportation committee staff. The study group will report back to the house of representatives transportation committee by January 1, 2002.

(5) The legislative transportation committee shall conduct a feasibility study of potential for economic partnerships between the



Washington state ferries and local government entities, including but not limited to port districts. The study is intended to improve ferry terminals. The study shall, at a minimum, identify the market, physical, and economic factors that should be examined in determining whether an economic or commercial development partnership project on or around Washington state ferry terminals is likely to produce revenue for the partners. The study shall apply those factors to an analysis of each terminal used by Washington state ferries and recommend whether further exploration of state and local partnerships would be of potential economic benefit to the partners. The entity selected to perform the study through the request for proposals process will report back to the transportation committees of the legislature by December 1, 2001.

(6) The legislative transportation committee, in cooperation with an areawide transportation system or systems, shall undertake an evaluation of providing locally sponsored transit services in a local community supplemental to those services provided by an areawide system. The evaluation shall address:

- (a) The costs and benefits of providing such services;
- (b) The impact of such service on ridership on the areawide system and on any regional systems;
- (c) Funding options for supplemental services; and
- (d) Institutional arrangements affecting the institution of supplemental services.

The committee shall work with the department of transportation, areawide transit providers, community officials, private businesses, labor organizations, and others as appropriate in conducting the evaluation, and in developing a pilot project if feasible. The committee shall provide an interim progress report to the legislature by January 2002. The committee shall report its findings to the legislature not later than December 1, 2002.

**NEW SECTION. Sec. 206. FOR THE MARINE EMPLOYEES COMMISSION**

Puget Sound Ferry Operations Account--

State Appropriation . . . . .	\$	332,000
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**NEW SECTION. Sec. 207. FOR THE TRANSPORTATION COMMISSION**

Motor Vehicle Account--State Appropriation . . .	\$	773,000
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NEW SECTION.     **Sec. 208.     FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

Motor Vehicle Account--State Appropriation     . . . \$                     717,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity: The appropriation in this section includes \$100,000 distributed under RCW 46.68.110(2) that is provided solely for a comprehensive, long-term, statewide freight needs analysis. These funds represent 20 percent of the biennial cost and shall lapse if the additional 80 percent funding is not secured from partners.

NEW SECTION.     **Sec. 209.     FOR THE WASHINGTON STATE PATROL--FIELD OPERATIONS BUREAU**

State Patrol Highway Account--  
    State Appropriation     . . . . . \$             162,081,000  
State Patrol Highway Account--  
    Federal Appropriation     . . . . . \$             7,084,000  
State Patrol Highway Account--  
    Private/Local Appropriation     . . . . . \$             169,000  
    TOTAL APPROPRIATION     . . . . . \$             169,334,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for the activities of the field operations bureau:

(1) As a result of the elimination of the vehicle inspection number (VIN) program, no permanent Washington state patrol employee shall be displaced from employment without the opportunity to fill a vacant patrol position for which he or she has a preference and meets the minimum qualifications. For the purpose of the VIN program elimination, the guidelines under chapter 356-26 WAC (Registers-Certifications) shall be suspended for those employees holding the classification of VIN 1 or 2.

(2) To the extent possible, the agency shall transfer displaced VIN personnel into the 20 newly created school bus inspection and motor carrier safety assistance program positions. The agency shall fill existing vacant positions within the commercial vehicle division with displaced VIN personnel. The agency shall report by December 31, 2001, to the senate and house of representatives transportation committees on efforts to relocate displaced VIN personnel.

**NEW SECTION. Sec. 210. FOR THE WASHINGTON STATE PATROL--SUPPORT SERVICES BUREAU**

State Patrol Highway Account--

State Appropriation . . . . . \$ 69,960,000

State Patrol Highway Account--

Private/Local Appropriation . . . . . \$ 735,000

TOTAL APPROPRIATION . . . . . \$ 70,695,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for the activities of the support services bureau. The Washington state patrol shall improve response times during emergency radio outages by allowing electronic services field technicians to take home their assigned vehicle and equipment even though they may be off duty.

**NEW SECTION. Sec. 211. FOR THE DEPARTMENT OF LICENSING--MANAGEMENT AND SUPPORT SERVICES**

Marine Fuel Tax Refund Account--State

Appropriation . . . . . \$ 7,000

Motorcycle Safety Education Account--

State Appropriation . . . . . \$ 114,000

Wildlife Account--State Appropriation . . . . . \$ 89,000

Highway Safety Account--State Appropriation . . . \$ 7,740,000

Motor Vehicle Account--State Appropriation . . . \$ 4,230,000

Licensing Services Account--State

Appropriation . . . . . \$ 123,000

TOTAL APPROPRIATION . . . . . \$ 12,303,000

**NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF LICENSING--INFORMATION SYSTEMS**

Marine Fuel Tax Refund Account--State

Appropriation . . . . . \$ 2,000

Motorcycle Safety Education Account--

State Appropriation . . . . . \$ 50,000

Wildlife Account--State Appropriation . . . . . \$ 34,000

Highway Safety Account--State Appropriation . . . \$ 5,655,000

Motor Vehicle Account--State Appropriation . . . \$ 3,304,000

Licensing Services Account--State

Appropriation . . . . . \$ 292,000

TOTAL APPROPRIATION . . . . . \$ 9,337,000

The appropriations in this section are subject to the following conditions and limitations: The department of licensing shall report to the legislative transportation committees on the progress of the expanded internet service no later than December 15, 2002.

**NEW SECTION. Sec. 213. FOR THE DEPARTMENT OF LICENSING--VEHICLE SERVICES**

Marine Fuel Tax Refund Account--	
State Appropriation . . . . .	\$ 26,000
Wildlife Account--State Appropriation . . . . .	\$ 578,000
Motor Vehicle Account--State Appropriation . . . . .	\$ 57,043,000
Licensing Services Account--State	
Appropriation . . . . .	\$ 3,123,000
TOTAL APPROPRIATION . . . . .	\$ 60,770,000

**NEW SECTION. Sec. 214. FOR THE DEPARTMENT OF LICENSING--DRIVER SERVICES**

Motorcycle Safety Education Account--	
State Appropriation . . . . .	\$ 2,223,000
Highway Safety Account--State Appropriation . . . . .	\$ 81,366,000
TOTAL APPROPRIATION . . . . .	\$ 83,589,000

The appropriations in this section are subject to the following conditions and limitations: The department of licensing shall prepare a capital project plan adopting a process for using certificates of participation to purchase licensing services offices if the combined principle and interest payments are the same or less than existing or future leases on comparable facilities.

**NEW SECTION. Sec. 215. FOR THE DEPARTMENT OF TRANSPORTATION--HIGHWAY MANAGEMENT AND FACILITIES--PROGRAM D--OPERATING**

Motor Vehicle Account--State Appropriation . . . . .	\$ 50,649,000
Motor Vehicle Account--Federal Appropriation . . . . .	\$ 400,000
TOTAL APPROPRIATION . . . . .	\$ 51,049,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity: \$3,296,000 of the motor vehicle account--state appropriation is provided solely for the implementation of Engrossed Senate Bill No. 6188.

**NEW SECTION. Sec. 216. FOR THE DEPARTMENT OF TRANSPORTATION--  
AVIATION--PROGRAM F**

Aeronautics Account--State Appropriation . . . . \$	4,852,000
Aircraft Search and Rescue Safety and Education Account--State Appropriation . . . \$	160,000
TOTAL APPROPRIATION . . . . . \$	5,012,000

**NEW SECTION. Sec. 217. FOR THE DEPARTMENT OF TRANSPORTATION--  
IMPROVEMENTS--PROGRAM I**

Motor Vehicle Account--State Appropriation . . . \$	508,936,000
Motor Vehicle Account--Federal Appropriation . . \$	219,538,000
Motor Vehicle Account--Private/Local Appropriation . . . . . \$	40,904,000
Special Category C Account--State Appropriation . . . . . \$	72,608,000
Multimodal Transportation Account--State Appropriation . . . . . \$	4,880,000
TOTAL APPROPRIATION . . . . . \$	846,866,000

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

(1) The special category C account--state appropriation of \$72,608,000 includes \$63,500,000 in proceeds from the sale of bonds authorized in RCW 47.10.812. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(2) The department shall report December 1st and June 1st of each year to the senate and the house of representatives transportation committees and the office of financial management on the timing and the scope of work being performed for the regional transit authority known as sound transit. This report shall provide a description of all department activities related to the regional transit authority including investments in state-owned infrastructure.

(3) The motor vehicle account--state appropriation includes \$391,637,000 in proceeds from the sale of bonds authorized by RCW

47.10.843. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(4) At least \$554,714,000 of the total appropriation is provided for the construction phase of the improvement program.

(5) \$4,880,000 of the multimodal transportation account--state appropriation is provided solely for the state program share of freight mobility projects as identified by the freight mobility strategic investment board.

(6) The motor vehicle account--state appropriation includes \$3,898,000 in unexpended proceeds from the January 2001 bond sale authorized in RCW 47.10.834 for the Tacoma Narrows bridge project. The transportation commission may authorize the use of current revenues available to the department of transportation in-lieu of bond proceeds for any part of the state appropriation.

**NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF TRANSPORTATION--  
TRANSPORTATION ECONOMIC PARTNERSHIPS--PROGRAM K--OPERATING**

Motor Vehicle Account--State Appropriation . . . \$ 1,153,000

**NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF TRANSPORTATION--  
TRANSPORTATION ECONOMIC PARTNERSHIPS--PROGRAM K--CAPITAL**

Motor Vehicle Account--State Appropriation . . . \$ 1,400,000

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

(1) The motor vehicle account--state appropriation consists of proceeds from the sale of bonds authorized in RCW 47.10.834 for all forms of cash contributions, or the payment of other costs incident to the location, development, design, right of way, and construction of the Tacoma narrows bridge improvements under the public-private transportation initiative program authorized under chapter 47.46 RCW.

(2) The transportation commission may authorize the use of current revenues available to the department of transportation in-lieu of bond proceeds for any part of the state appropriation.

**NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF TRANSPORTATION--  
HIGHWAY MAINTENANCE--PROGRAM M**

Motor Vehicle Account--State Appropriation . . . \$ 275,394,000

Motor Vehicle Account--Federal Appropriation . . . \$	512,000
Motor Vehicle Account--Private/Local	
Appropriation . . . . . \$	4,067,000
TOTAL APPROPRIATION . . . . . \$	279,973,000

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

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

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

**NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF TRANSPORTATION--  
PRESERVATION--PROGRAM P**

Motor Vehicle Account--State Appropriation . . . \$	90,760,000
Motor Vehicle Account--Federal Appropriation . . \$	318,795,000
Motor Vehicle Account--Private/Local	
Appropriation . . . . . \$	8,717,000
Multimodal Transportation Account--State	
Appropriation . . . . . \$	64,218,000
Multimodal Transportation Account--Federal	
Appropriation . . . . . \$	95,682,000
TOTAL APPROPRIATION . . . . . \$	578,172,000

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

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

(2) The motor vehicle account--state appropriation includes \$6,524,000 for earthquake repairs and to match federal emergency relief funds. This amount includes \$3,750,000 in proceeds from the sale of bonds authorized in RCW 47.10.761 and 47.10.762 for emergency purposes.

(3) The department of transportation is authorized to maximize the use of federal and state funds to implement the provisions of this section.

(4) \$471,763,000 of the total appropriation is provided for the construction phase of the preservation program.

(5) The motor vehicle account--federal appropriation and the multimodal transportation account--federal appropriation are transferable between each other to ensure efficient funds management and program delivery.

**NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF TRANSPORTATION--  
TRAFFIC OPERATIONS--PROGRAM Q--OPERATING**

Motor Vehicle Account--State Appropriation . . . \$	32,402,000
Motor Vehicle Account--Private/Local Appropriation . . . . . \$	125,000
TOTAL APPROPRIATION . . . . . \$	32,527,000

**NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF TRANSPORTATION--  
TRAFFIC OPERATIONS--PROGRAM Q--CAPITAL**

Motor Vehicle Account--State Appropriation . . . \$	7,542,000
Motor Vehicle Account--Federal Appropriation . . \$	16,678,000
TOTAL APPROPRIATION . . . . . \$	24,220,000

The appropriations in this section are subject to the following conditions and limitations and the specified amount is provided solely for that activity: The motor vehicle account--state appropriation includes \$2,986,000 for state matching funds for federally selected competitive grant or congressional earmark projects other than commercial vehicle information system and network (CVISN). These moneys shall be placed into reserve status until such time as federal funds are secured and a state match is required.

**NEW SECTION. Sec. 224. FOR THE DEPARTMENT OF TRANSPORTATION--  
TRANSPORTATION MANAGEMENT AND SUPPORT--PROGRAM S**

State Patrol Highway Account--State Appropriation . . . . . \$	926,000
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Motor Vehicle Account--State Appropriation . . . \$	94,632,000
Motor Vehicle Account--Federal Appropriation . . \$	2,654,000
Puget Sound Ferry Operations Account--	
State Appropriation . . . . . \$	6,642,000
Multimodal Transportation Account--State	
Appropriation . . . . . \$	2,082,000
TOTAL APPROPRIATION . . . . . \$	106,936,000

**NEW SECTION. Sec. 225. FOR THE DEPARTMENT OF TRANSPORTATION--  
TRANSPORTATION PLANNING, DATA, AND RESEARCH--PROGRAM T**

Motor Vehicle Account--State Appropriation . . . \$	18,250,000
Motor Vehicle Account--Federal Appropriation . . \$	18,800,000
Multimodal Transportation Account--State	
Appropriation . . . . . \$	987,000
Multimodal Transportation Account--Federal	
Appropriation . . . . . \$	2,000,000
TOTAL APPROPRIATION . . . . . \$	40,037,000

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

(1) The motor vehicle account--state appropriation includes \$1,000,000 distributed under RCW 46.68.110(2):

(a) \$500,000 of the distribution under RCW 46.68.110(2) is to be used solely by the department of transportation to collect and enter collision reports into the statewide collision reporting system for local roadway planning and safety analysis.

(b) \$500,000 of the distribution under RCW 46.68.110(2) is provided solely to the department of transportation for the Washington strategic freight transportation analysis. The department shall work with the transportation research center to conduct an origin and destination study to determine the impacts of trade-related truck traffic and other truck impacts on the highway system. The department may also conduct other research elements, including, but not limited to, freight corridor identification, strategic resource access, and road network review.

(2) \$6,754,000 of the motor vehicle account--state appropriation is provided for the implementation of Senate Bill No. 5749 in the form enacted by the legislature. If Senate Bill No. 5749 is not enacted in

the form passed by the legislature by July 31, 2001, this funding shall lapse.

**NEW SECTION. Sec. 226. FOR THE DEPARTMENT OF TRANSPORTATION--  
CHARGES FROM OTHER AGENCIES--PROGRAM U**

Payments in this section represent charges from other state agencies to the department of transportation.

(1) FOR PAYMENT OF DEPARTMENT OF GENERAL ADMINISTRATION OFFICE OF RISK MANAGEMENT FEES

Motor Vehicle Account--State Appropriation . . . \$	464,000
Puget Sound Ferry Operations--State Appropriation . . . . . \$	154,000

(2) FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE AUDITOR

Motor Vehicle Account--State Appropriation . . . \$	731,000
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(3) FOR PAYMENT OF COSTS OF DEPARTMENT OF GENERAL ADMINISTRATION FACILITIES AND SERVICES AND CONSOLIDATED MAIL SERVICES

Motor Vehicle Account--State Appropriation . . . \$	4,128,000
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(4) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF PERSONNEL

Motor Vehicle Account--State Appropriation . . . \$	2,240,000
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(5) FOR PAYMENT OF SELF-INSURANCE LIABILITY PREMIUMS AND ADMINISTRATION

Motor Vehicle Account--State Appropriation . . . \$	13,892,000
Motor Vehicle Fund--Puget Sound Ferry Operations Account-- State Appropriation . . . . . \$	4,204,000

The office of risk management shall evaluate the risk pool premium assessments to ensure that proper tracking, measuring, and reporting methods have been utilized to ensure funding equity has been maintained. "Funding equity" includes but is not limited to demonstrating that premiums assessed to the department of transportation will, over time, not exceed claims paid in order to ensure that premiums paid by the department of transportation are not unconstitutionally expended for nonhighway purposes. The office of risk management shall make a full report of its findings to the legislature no later than January 15, 2002.

(6) FOR PAYMENT OF COSTS OF OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

Motor Vehicle Account--State Appropriation . . . \$	251,000
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(7) FOR PAYMENT OF THE DEPARTMENT OF GENERAL ADMINISTRATION CAPITAL PROJECTS SURCHARGE

Motor Vehicle Account--State Appropriation . . . \$ 1,547,000

(8) FOR ARCHIVES AND RECORDS MANAGEMENT

Motor Vehicle Account--State Appropriation . . . \$ 469,000

TOTAL APPROPRIATION . . . . . \$ 28,080,000

NEW SECTION. **Sec. 227. FOR THE DEPARTMENT OF TRANSPORTATION--PUBLIC TRANSPORTATION--PROGRAM V**

Multimodal Transportation Account--State

Appropriation . . . . . \$ 11,160,000

Multimodal Transportation Account--Federal

Appropriation . . . . . \$ 3,074,000

Multimodal Transportation Account--

Private/Local Appropriation . . . . . \$ 205,000

TOTAL APPROPRIATION . . . . . \$ 14,439,000

NEW SECTION. **Sec. 228. FOR THE DEPARTMENT OF TRANSPORTATION--WASHINGTON STATE FERRIES CONSTRUCTION--PROGRAM W**

Motor Vehicle Account--State

Appropriation . . . . . \$ 144,404,000

Motor Vehicle Account--Federal

Appropriation . . . . . \$ 37,472,000

Passenger Ferry Account--State Appropriation . . \$ 1,500,000

Passenger Ferry Account--Federal

Appropriation . . . . . \$ 4,000,000

TOTAL APPROPRIATION . . . . . \$ 187,376,000

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

(1) The motor vehicle account--state appropriation includes \$50,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.843 for vessel and terminal acquisition, major and minor improvements, and long lead time materials acquisition for the Washington state ferries. The transportation commission may authorize

the use of current revenues available to the motor vehicle account in lieu of bond proceeds for any part of the state appropriation.

(2) Appropriations in this section include funding for the purchase or lease-purchase of one passenger ferry and assume the proceeds of the sale of the MV Kalama and MV Skagit passenger ferries shall be deposited in the passenger ferry account.

(3) The department shall provide staff support to a legislative oversight committee that will manage a study of the Eagle Harbor maintenance facility. The legislative oversight committee shall consist of two members from each caucus in each house of the legislature, appointed by the leadership of the members' respective caucus. The department shall issue a request for proposals on behalf of the legislative oversight committee for an outside consulting firm to conduct a study on the preservation, replacement, or supplementation of the Eagle Harbor maintenance facility. The study must analyze: (a) The costs and benefits to preserve and maintain or relocate the facility; (b) the impact of Eagle Harbor employment on the local community and Kitsap county; and (c) a recommendation on future investment in the Eagle Harbor maintenance facility or possible alternatives. The contractor and the legislative oversight committee must report back to the legislature's transportation committees no later than December 10, 2002.

**NEW SECTION. Sec. 229. FOR THE DEPARTMENT OF TRANSPORTATION--MARINE--PROGRAM X**

Puget Sound Ferry Operations Account--State

Appropriation . . . . . \$ 321,673,000

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

(1) The appropriation is based on the budgeted expenditure of \$46,881,000 for vessel operating fuel in the 2001-2003 biennium. If the actual cost of fuel is less than this budgeted amount, the excess amount may not be expended. If the actual cost exceeds this amount, the department shall request a supplemental appropriation.

(2) The appropriation provides for the compensation of ferry employees. The expenditures for compensation paid to ferry employees during the 2001-2003 biennium may not exceed \$206,696,000 plus a dollar amount, as prescribed by the office of financial management, that is

equal to any insurance benefit increase granted general government employees in excess of \$432.82 a month annualized per eligible marine employee multiplied by the number of eligible marine employees for the respective fiscal year, a dollar amount as prescribed by the office of financial management for costs associated with pension amortization charges, and a dollar amount prescribed by the office of financial management for salary increases during the 2001-2003 biennium. For the purposes of this section, the expenditures for compensation paid to ferry employees shall be limited to salaries and wages and employee benefits as defined in the office of financial management's policies, regulations, and procedures named under objects of expenditure "A" and "B" (7.2.6.2).

The prescribed salary and insurance benefit increase or decrease dollar amount that shall be allocated from the governor's compensation appropriations is in addition to the appropriation contained in this section and may be used to increase or decrease compensation costs, effective July 1, 2001, and thereafter, as established in the 2001-2003 general fund operating budget.

(3) The department shall issue a request for information from entities interested in purchasing advertising on board Washington state ferry vessels. The department shall evaluate the proposals and report back to the legislature's transportation committees in January 2002 regarding the potential for revenue from different types of advertising.

(4) The department may enter into contracts with private vendors to sell ferry tickets and medium at locations other than Washington state ferry terminals or facilities.

(a) The department may enter into the contracts only (i) with private vendors that are already established businesses offering goods for sale to the general public; and (ii) if it determines that the vendor's established location has the potential to serve a significant percentage of the customers using a particular ferry route.

(b) The department may adopt necessary rules and procedures to allow the use of credit and debit cards to purchase ferry tickets or medium from a private vendor who has contracted with the department to sell ferry tickets or medium. The department may establish a convenience fee to be paid by all persons purchasing ferry tickets and medium at locations other than Washington state ferry terminals or facilities. The convenience fee must be sufficient to offset the

charges imposed on the department by the credit and debit card companies. In no event may the use of credit or debit cards authorized by this section create a loss of revenue to the state. The use of a personal credit card does not rely upon the credit of the state as prohibited by Article VIII, section 5 of the state Constitution.

**NEW SECTION. Sec. 230. FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--OPERATING**

Multimodal Transportation Account--State  
 Appropriation . . . . . \$ 32,704,000

**NEW SECTION. Sec. 231. FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--CAPITAL**

Essential Rail Assistance Account--State  
 Appropriation . . . . . \$ 200,000  
 Multimodal Transportation Account--State  
 Appropriation . . . . . \$ 11,610,000  
 Multimodal Transportation Account--Federal  
 Appropriation . . . . . \$ 9,630,000  
 Washington Fruit Express Account--State  
 Appropriation . . . . . \$ 500,000  
 TOTAL APPROPRIATION . . . . . \$ 21,940,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity: \$2,000,000 of the multimodal transportation account--state appropriation is provided solely for the Grays Harbor loop project.

**NEW SECTION. Sec. 232. FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--OPERATING**

Motor Vehicle Account--State Appropriation . . . \$ 6,231,000  
 Motor Vehicle Account--Federal Appropriation . . \$ 2,569,000  
 Multimodal Transportation Account--State  
 Appropriation . . . . . \$ 150,000  
 TOTAL APPROPRIATION . . . . . \$ 8,950,000

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

(1) The motor vehicle account--state appropriation includes \$150,000 distributed under RCW 46.68.110(2) that is provided to the Whatcom county council of governments for the sole purpose of developing and implementing a model of regional transportation governance. This model shall be developed in accordance with Recommendation 6 of the Blue Ribbon Commission on Transportation's final report.

The council shall develop a model that can be used in other parts of the state and shall report to the transportation committees in the senate and house of representatives on the positive and negative aspects of the model as well as costs associated with it no later than June 30, 2002.

(2) \$250,000 of the motor vehicle account--state appropriation is provided solely for a study of concurrency issues in urban areas marked by multiple contiguous jurisdictions. The study, lead by the city of Bellevue, will focus on the jurisdictions of Bellevue, Kirkland, Issaquah, and Redmond and will look at existing and unused methodologies for including development in neighboring jurisdictions in concurrency calculations. The study will also investigate what changes in state and local laws are needed in order to provide a more effective way of dealing with concurrency issues. By November 1, 2003, a report of the findings will be made to the transportation committees of the legislature. The appropriation in this subsection shall lapse unless the participating cities provide \$100,000 for the study.

(3) Up to \$500,000 of the motor vehicle account--state appropriation is provided solely for the study of alternatives for repairing or replacing the Seattle sea wall. The department's expenditure of funds provided in this subsection may not exceed the matching contribution provided by the city of Seattle for the study.

**NEW SECTION. Sec. 233. FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--CAPITAL**

Motor Vehicle Account--State Appropriation . . . \$	77,371,000
Highway Infrastructure Account--State	
Appropriation . . . . . \$	234,000
Highway Infrastructure Account--Federal	
Appropriation . . . . . \$	1,500,000
Urban Arterial Trust Account--State	
Appropriation . . . . . \$	4,674,000

Multimodal Transportation Account--State

Appropriation . . . . .	\$	10,150,000
TOTAL APPROPRIATION . . . . .	\$	93,929,000

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

(1) The highways and local programs division shall not administer or distribute federal transportation enhancement funds for the project known as East Lake Sammamish trail interim improvement - Issaquah to Redmond - until interlocal agreements between King county and the cities of Sammamish, Redmond, and Issaquah have been finalized for the portions of the trail within each of these affected jurisdictions. These agreements shall address safety, security, public parking, design, public facilities, and public access to the trail, maintain King county as the lead agency on the development of the trail, and preserve the railbanking status of the railroad right-of-way according to federal law.

(2) \$10,000,000 of the multimodal transportation account--state appropriation is provided solely to fund the first phase of a multiphase cooperative project with the state of Oregon to dredge the Columbia river. The department shall not expend the appropriation in this section unless agreement on ocean disposal sites has been reached which protects the state's commercial crab fishery. The amount provided in this subsection shall lapse unless the state of Oregon appropriates a dollar-for-dollar match to fund its share of the project.

(3) The motor vehicle account--state appropriation includes \$12,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.843 in addition to \$16,420,000 in unexpended proceeds from the January 2001 sale. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(4) \$4,159,000 of the motor vehicle account--state appropriation is provided solely for additional small city pavement preservation program grants, to be administered by the department's highways and local programs division.



(5) \$2,000,000 of the motor vehicle account--state appropriation is provided solely for additional traffic and pedestrian safety improvements near schools. The highways and local programs division within the department of transportation shall administer this program.

(End of part)

**TRANSPORTATION AGENCIES CAPITAL FACILITIES**

NEW SECTION.    **Sec. 301.    FOR THE WASHINGTON STATE PATROL**

State Patrol Highway Account--State

Appropriation . . . . .	\$	780,000
Motor Vehicle Account--State Appropriation . . . . .	\$	2,705,000
TOTAL APPROPRIATION . . . . .	\$	3,485,000

NEW SECTION.    **Sec. 302.**    The Washington state patrol is authorized to continue with the exchange of the Olympia, Washington Martin Way property for a light industrial land complex to be used to consolidate existing separately located state activities and functions. The agency will work with the office of financial management, department of general administration, the senate transportation committee, and the house of representatives transportation committee in the exchange and approval processes.

NEW SECTION.    **Sec. 303.    FOR THE DEPARTMENT OF TRANSPORTATION--PROGRAM D (DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)--CAPITAL**

Motor Vehicle Account--State Appropriation . . . . .	\$	13,046,000
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(End of part)

**TRANSFERS AND DISTRIBUTIONS**

**NEW SECTION. Sec. 401. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE FUND AND TRANSPORTATION FUND REVENUE**

Highway Bond Retirement Account Appropriation . . . \$	207,900,000
Ferry Bond Retirement Account Appropriation . . . \$	48,675,000
Transportation Improvement Board Bond Retirement Account--State Appropriation . . . . . \$	40,856,000
Motor Vehicle Account--State Appropriation . . . \$	4,537,000
Special Category C Account--State Appropriation . \$	635,000
Transportation Improvement Account--State Appropriation . . . . . \$	473,000
TOTAL APPROPRIATION . . . . . \$	303,076,000

**NEW SECTION. Sec. 402. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES**

Motor Vehicle Account--State Appropriation . . . \$	450,000
Special Category C Account Appropriation . . . . \$	63,000
Transportation Improvement Account--State Appropriation . . . . . \$	47,000
TOTAL APPROPRIATION . . . . . \$	560,000

**NEW SECTION. Sec. 403. FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION**

Motor Vehicle Account Appropriation for motor vehicle fuel tax refunds and distributions . . . . . \$	458,895,000
Motor Vehicle Account Appropriation for motor vehicle fuel tax distributions to cities and counties . . . . . \$	428,546,000
Motor Vehicle Account Appropriation for license, permit, and fee distribution to other accounts . . . . . \$	349,936,000

NEW SECTION. **Sec. 404. STATUTORY APPROPRIATIONS.** In addition to the amounts appropriated in this act for revenue for distribution, state contributions to the law enforcement officers' and fire fighters' retirement system, and bond retirement and interest including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under any proper bond covenant made under law.

NEW SECTION. **Sec. 405.** The department of transportation is authorized to undertake federal advance construction projects under the provisions of 23 U.S.C. Sec. 115 in order to maintain progress in meeting approved highway construction and preservation objectives. The legislature recognizes that the use of state funds may be required to temporarily fund expenditures of the federal appropriations for the highway construction and preservation programs for federal advance construction projects prior to conversion to federal funding.

NEW SECTION. **Sec. 406. FOR THE STATE TREASURER--TRANSFERS**

(1) RV Account--State Appropriation:

For transfer to the Motor Vehicle Fund--State . . . \$ 1,135,000

The department of transportation shall only transfer funds provided under subsection (1) of this section on an as-needed basis.

(2) Public Transportation Systems Account--

State Appropriation: For transfer to the

Multimodal Transportation Account--State . . . . \$ 1,911,000

(3) State Patrol Highway Account--State

Appropriation: For transfer to the Motor

Vehicle Account . . . . . \$ 38,657,000

If House Bill No. 2216 or Senate Bill No. 5078 is enacted in the form passed by the legislature, the \$38,737,000 transfer from the state patrol highway account--state to the motor vehicle account is null and void. If neither House Bill No. 2216 nor Senate Bill No. 5078 is enacted in the form passed by the legislature, the state treasurer shall transfer funds from the state patrol highway account to the motor vehicle account on a quarterly basis.

NEW SECTION.    **Sec. 407.    FOR THE DEPARTMENT OF TRANSPORTATION--  
TRANSFERS**

(1) Motor Vehicle Fund--State Appropriation:  
For transfer to Puget Sound Ferry Operations  
Account . . . . . \$    27,000,000

(2) Advanced Right of Way Revolving Account  
Appropriation: For transfer to the Motor  
Vehicle Fund . . . . . \$    15,000,000

NEW SECTION.    **Sec. 408.    FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--  
TRANSFERS**

Motor Vehicle Fund--State Patrol Highway Account:  
For transfer to the Department of Retirement  
Systems Expense Fund . . . . . \$            211,000

(End of part)

## PERFORMANCE BASED BUDGETING PROVISIONS

NEW SECTION. **Sec. 501.** Transportation agencies shall continue to refine the following activities in order to establish a performance-based budgeting process for the 2003-05 biennial budget:

(1) The department of licensing, the department of transportation, and the Washington state patrol, in cooperation with the office of financial management and the senate and house of representatives transportation committees, shall implement a performance budgeting process that provides a measurable link between agency objectives, service levels, and budget proposals. The agencies shall also develop indicators of performance, stated in terms of expected results, to measure the agencies' progress in achieving the agencies' goals.

(2) The transportation agencies shall submit a strategic plan with their agency request budgets. The strategic plan must include a six-year outlook and define and clarify the agency mission and vision, provide the basis for budget development, and outline the agency's goals and strategies. Furthermore, the strategic plan shall reflect agency priorities which formed the basis of the agencies' budget development.

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

(4) The senate and house of representatives transportation committees, the office of financial management, and the transportation agencies shall establish the means of conducting program authorization reviews of all transportation programs. The reviews shall include:

(a) An agency self-assessment to judge the quality and usefulness of: (i) The agency's long-term strategic program goals; (ii) current organizational structure; (iii) program priorities and objectives; (iv) activities necessary to achieve program priorities and objectives; (v) service level criteria and performance targets of existing programs and activities; (vi) best practices by other states as a possible benchmark of the performance of their programs; and (vii) results or outcome measures as they relate to achievement of benchmarks given different funding levels;

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

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

(5) The transportation agencies shall each designate a program or programs to test the effectiveness of performance-based budgeting for the 2003-05 budget submittal period.

(6) Each agency shall submit a program list to the transportation committees of the house of representatives and senate and the office of financial management at the end of each fiscal year, which describes the functions of the program, the fund sources for the program, and the number of full-time equivalents, in addition to other performance targets of the program and their relationship to the agency strategic plan.

(7) The transportation agencies shall develop agency biennial budget requests at the agency budget program level, rather than the object level, and submit their biennial and supplemental budget requests to the office of financial management via a common budget system beginning July 1, 2003.

(8) The agencies shall input monthly their financial information and quarterly program performance measurements into the transportation executive information system and other systems as required by the office of financial management. The agencies shall report actuals to date against original allotments, in addition to plan to date. Original allotments may reflect supplemental budget changes as changed by the legislature and the governor.

#### **PROVISIONS NECESSARY TO IMPLEMENT APPROPRIATIONS**

**Sec. 601.** RCW 47.04.210 and 1997 c 94 s 1 are each amended to read as follows:

Federal funds that are administered by the department of transportation and are passed through to municipal corporations or political subdivisions of the state and moneys that are received as total reimbursement for goods, services, or projects constructed by the department of transportation are removed from the transportation budget. To process and account for these expenditures a new treasury trust account is created to be used for all department of transportation one hundred percent federal and local reimbursable transportation expenditures. This new account is nonbudgeted and nonappropriated. At the same time, federal and private local appropriations and full-time equivalents in subprograms R2, R3, T6, Y6, and Z2 processed through this new account are removed from the department of transportation's 1997-99 budget.

The department of transportation may make expenditures from the account before receiving federal and local reimbursements. However, at the end of each biennium, the account must maintain a zero or positive cash balance. In the twenty-fourth month of each biennium the department of transportation shall calculate and transfer sufficient cash from either the motor vehicle fund or the multimodal transportation ((fund)) account to cover any negative cash balances. The amount transferred is calculated based on expenditures from each fund. In addition, any interest charges accruing to the new account must be distributed to the motor vehicle fund and the multimodal transportation ((fund)) account.

The department of transportation shall provide an annual report to the legislative transportation committee and the office of financial management on expenditures and full-time equivalents processed through the new account. The report must also include recommendations for process changes, if needed.

**Sec. 602.** RCW 47.04.220 and 1997 c 94 s 2 are each amended to read as follows:

(1) The miscellaneous transportation programs account is created in the custody of the state treasurer.

(2) Moneys from the account may be used only for the costs of:

(a) Miscellaneous transportation services provided by the department that are reimbursed by other public and private entities;



(b) Local transportation projects for which the department is a conduit for federal reimbursement to a municipal corporation or political subdivision; or

(c) Other reimbursable activities as recommended by the legislative transportation committee and approved by the office of financial management.

(3) Moneys received as reimbursement for expenditures under subsection (2) of this section must be deposited into the account.

(4) No appropriation is required for expenditures from this account. This fund is not subject to allotment procedures provided under chapter 43.88 RCW.

(5) Only the secretary of transportation or the secretary's designee may authorize expenditures from the account.

(6) It is the intent of the legislature that this account maintain a zero or positive cash balance at the end of each biennium. Toward this purpose the department may make expenditures from the account before receiving reimbursements under subsection (2) of this section. Before the end of the biennium, the department shall transfer sufficient cash to cover any negative cash balances from the motor vehicle fund and the multimodal transportation ((funds)) account to the miscellaneous transportation programs account for unrecovered reimbursements. The department shall calculate the distribution of this transfer based on expenditures. In the ensuing biennium the department shall transfer the reimbursements received in the miscellaneous transportation programs account back to the motor vehicle fund and the multimodal transportation ((funds)) account to the extent of the cash transferred at biennium end. The department shall also distribute any interest charges accruing to the miscellaneous transportation programs account to the motor vehicle fund and the multimodal transportation ((funds)) account. Adjustments for any indirect cost recoveries may also be made at this time.

(7) The department shall provide an annual report to the legislative transportation committee and the office of financial management on the expenditures and full-time equivalents processed through the miscellaneous transportation programs account. The report must also include recommendations for changes to the process, if needed.

NEW SECTION. **Sec. 603.** The highways and local programs division of the Washington state department of transportation, the transportation improvement board, the county road administration board, the freight mobility strategic investment board, the association of Washington cities, and the Washington state association of counties shall establish and staff a joint task force that will develop recommendations to establish a one-stop funding center for state funded local grant programs. The task force shall report its recommendations to the legislature no later than December 1, 2001. The recommendations of the task force shall address the following:

(1) Develop a memorandum of understanding that governs a multiagency grant council to coordinate state and federal grant efforts;

(2) Develop a simplified grant application form that can be used by all local grant-seeking agencies;

(3) Coordinate calls for local grant applications;

(4) Increase awareness of state-funded local grant programs; and

(5) Develop a process to forward applications to other appropriate state and federal funding programs.

NEW SECTION. **Sec. 604.** The senate transportation committee shall convene a task force to study the issues regarding abandoned vehicles, title transfers, license plate transfers, buyer and seller reports, and electronic availability of current vehicle owner information. The task force shall include the following members in addition to the department of licensing: The Washington state tow truck association; the Washington state auto dealers; the independent towers of Washington; the Washington state patrol; and representatives of two local law enforcement agencies.

The task force shall consider methods by which vehicle ownership changes can occur more expeditiously, including but not limited to the timing and completeness of the seller reporting the sale of a vehicle, methods to encourage buyers to retitle vehicles in a timely manner, and changes in the processing of abandoned vehicle reports to provide more timely access to registered owner information. The task force shall also consider who bears liability for abandoned vehicles as well as the issue of impounding a registered owner's car when someone other than the owner is driving.

NEW SECTION. **Sec. 605.** The joint legislative audit and review committee shall conduct a performance audit to evaluate the advantages and disadvantages of removing the aviation division from the department of transportation and creating a Washington state department of aviation. At a minimum the evaluation must include: (1) A survey of aviation division customers to determine whether the current aviation division meets the needs of those customers; (2) a comparison of procedures, regulations, and requirements of the Federal Aviation Administration and the Federal Highway Administration to determine if the federal laws governing the aviation division conflict with those governing the department of transportation; (3) an analysis of the department of transportation's processes to determine whether the creation of a separate aviation department would result in a cost savings to the state; and (4) a financial analysis to determine if the aviation fuel tax, aircraft registration fees, and other revenue from aviation services would enable a separate aviation division to operate without additional state resources. The joint legislative audit and review committee must report its findings to the legislature and the office of financial management by December 1, 2002.

NEW SECTION. **Sec. 606.** A new section is added to chapter 47.01 RCW to read as follows:

The Washington fruit express account is created in the state treasury. All receipts from the operations of the Washington fruit express program must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the operations of the Washington fruit express program and for east-west passenger rail.

**Sec. 607.** RCW 43.84.092 and 2000 2nd sp.s. c 4 s 5 are each amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by

the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the common school construction fund, the county criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems expense account, the drinking water assistance account, the Eastern Washington University capital projects account, the education construction fund, the emergency reserve fund, the federal forest revolving account, the health services account, the public health services account, the health system capacity account, the personal health services account, the state higher education construction

account, the higher education construction account, the highway infrastructure account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system plan 2 account, the Puyallup tribal settlement account, the resource management cost account, the site closure account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the supplemental pension account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation infrastructure account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, the Washington fruit express account, the Washington judicial retirement system account, the Washington law enforcement officers' and fire fighters' system plan 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts. All earnings to be

distributed under this subsection (4)(a) shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

(b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the county arterial preservation account, the department of licensing services account, the essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high capacity transportation account, the highway bond retirement fund, the highway safety account, the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C account, the state patrol highway account, the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, and the urban arterial trust account.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

**Sec. 608.** RCW 43.84.092 and 2000 2nd sp.s. c 4 s 6 are each amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement

act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the common school construction fund, the county criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems expense account, the drinking water assistance account, the Eastern Washington University capital projects account, the education construction fund, the emergency reserve fund, the federal forest revolving account, the health services account, the public health services account, the health system capacity account, the personal health services account, the state higher education construction account, the higher education construction account, the highway infrastructure account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax

account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the Puyallup tribal settlement account, the resource management cost account, the site closure account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the supplemental pension account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation infrastructure account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, the Washington fruit express account, the Washington judicial retirement system account, the Washington law enforcement officers' and fire fighters' system plan 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts. All earnings to be distributed under this subsection (4)(a) shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

(b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or



fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the county arterial preservation account, the department of licensing services account, the essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high capacity transportation account, the highway bond retirement fund, the highway safety account, the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C account, the state patrol highway account, the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, and the urban arterial trust account.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

NEW SECTION. **Sec. 609.** Notwithstanding the limitations of RCW 36.82.070 and 2001 c 221 s 3, county road funds may be used during this biennium beyond the county right-of-way for activities clearly associated with removal of fish passage barriers that are the responsibility of the county in the amount deemed appropriate by the county.

NEW SECTION. **Sec. 610.** Section 607 of this act expires March 1, 2002.

NEW SECTION. **Sec. 611.** Section 608 of this act takes effect March 1, 2002.

NEW SECTION. **Sec. 612.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 613.** Except for section 608 of this act, this act is necessary for the immediate preservation of the public peace,

health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

(End of part)

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**3ESSB 5327 - H AMD**  
 By Representative

On page 1, line 1 of the title, after "appropriations;" strike the remainder of the title and insert "amending RCW 47.04.210, 47.04.220, 43.84.092, and 43.84.092; adding a new section to chapter 47.01 RCW; creating new sections; making appropriations and authorizing expenditures for capital improvements; providing an effective date; providing an expiration date; and declaring an emergency."

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