

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 2304

57th Legislature
2002 Regular Session

Passed by the House January 28, 2002
Yeas 67 Nays 28

Speaker of the House of Representatives

Passed by the Senate January 26 2002
Yeas 46 Nays 0

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Cynthia Zehnder, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2304** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 2304

AS AMENDED BY THE SENATE

Passed Legislature - 2002 Regular Session

State of Washington 57th Legislature 2002 Regular Session

By House Committee on Transportation (originally sponsored by Representatives Fisher, Jarrett, Kessler, Berkey, Sullivan, Dunshee, Lovick, Kenney, Lantz, Santos, Ruderman, Edwards, Murray, Rockefeller, Wood, O'Brien, Cooper, Haigh, Fromhold, Tokuda, Ogden, Romero, Cody, Darneille, Simpson, Linville, Upthegrove, Schual-Berke, Kagi and McIntire; by request of Governor Locke)

Read first time 01/16/2002. Referred to Committee on .

1 AN ACT Relating to transportation; amending RCW 41.06.380,
2 39.12.070, 39.12.080, 47.05.010, 47.05.030, 47.05.035, 47.06.130,
3 47.05.051, 35.84.060, 47.06.050, and 47.06.090; adding new sections to
4 chapter 47.28 RCW; adding a new section to chapter 49.04 RCW; adding a
5 new section to chapter 47.01 RCW; adding a new section to chapter 47.06
6 RCW; adding a new section to chapter 39.12 RCW; adding a new section to
7 chapter 36.56 RCW; adding a new section to chapter 36.57A RCW; adding
8 a new section to chapter 46.68 RCW; adding a new section to chapter
9 81.112 RCW; adding a new section to chapter 36.78 RCW; creating new
10 sections; making an appropriation; and providing effective dates.

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

PART I

ESTABLISHMENT OF TRANSPORTATION

PERFORMANCE MEASURES

15 NEW SECTION. **Sec. 101.** LEGISLATIVE INTENT. It is the intent of
16 the legislature to establish policy goals for the operation,
17 performance of, and investment in, the state's transportation system.
18 The policy goals shall consist of, but not be limited to, the following

1 benchmark categories, adopted by the state's Blue Ribbon Commission on
2 Transportation on November 30, 2000. In addition to improving safety,
3 public investments in transportation shall support achievement of these
4 and other priority goals:

5 No interstate highways, state routes, and local arterials shall be
6 in poor condition; no bridges shall be structurally deficient, and
7 safety retrofits shall be performed on those state bridges at the
8 highest seismic risk levels; traffic congestion on urban state highways
9 shall be significantly reduced and be no worse than the national mean;
10 delay per driver shall be significantly reduced and no worse than the
11 national mean; per capita vehicle miles traveled shall be maintained at
12 2000 levels; the nonauto share of commuter trips shall be increased in
13 urban areas; administrative costs as a percentage of transportation
14 spending shall achieve the most efficient quartile nationally; and the
15 state's public transit agencies shall achieve the median cost per
16 vehicle revenue hour of peer transit agencies, adjusting for the
17 regional cost-of-living.

18 These policy goals shall be the basis for establishment of detailed
19 and measurable performance benchmarks.

20 It is the intent of the legislature that the transportation
21 commission establish performance measures to ensure transportation
22 system performance at local, regional, and state government levels, and
23 the transportation commission should work with appropriate government
24 entities to accomplish this.

25 NEW SECTION. **Sec. 102.** Section 101 of this act takes effect July
26 1, 2002.

27 **PART II**

28 **ALTERNATIVE DELIVERY PROCEDURES FOR CONSTRUCTION SERVICES**

29 NEW SECTION. **Sec. 201.** The legislature finds that there is a
30 pressing need for additional transportation projects to meet the
31 mobility needs of Washington citizens. With major new investments
32 approved to meet these pressing needs, additional work force assistance
33 is necessary to ensure and enhance project delivery timelines.
34 Recruiting and retaining a high quality work force, and implementing
35 new and innovative procedures for delivering these transportation
36 projects is required to accomplish them on a timely basis that best

1 serves the public. It is the intent of sections 203 and 204 of this
2 act that no state employees will lose their employment as a result of
3 implementing new and innovative project delivery procedures.

4 NEW SECTION. **Sec. 202.** A new section is added to chapter 47.28
5 RCW to read as follows:

6 The definitions in this section apply throughout section 203 of
7 this act and RCW 41.06.380 unless the context clearly requires
8 otherwise.

9 (1) "Construction services" means those services that aid in the
10 delivery of the highway construction program and include, but are not
11 limited to, real estate services and construction engineering services.

12 (2) "Construction engineering services" includes, but is not
13 limited to, construction management, construction administration,
14 materials testing, materials documentation, contractor payments and
15 general administration, construction oversight, and inspection and
16 surveying.

17 NEW SECTION. **Sec. 203.** A new section is added to chapter 47.28
18 RCW to read as follows:

19 (1) The department of transportation shall work with
20 representatives of transportation labor groups to develop a financial
21 incentive program to aid in retention and recruitment of employee
22 classifications where problems exist and program delivery is negatively
23 affected. The department's financial incentive program must be
24 reviewed and approved by the legislature before it can be implemented.
25 This program must support the goal of enhancing project delivery
26 timelines as outlined in section 201 of this act. Upon receiving
27 approval from the legislature, the department of personnel shall
28 implement, as required, specific aspects of the financial incentive
29 package, as developed by the department of transportation.

30 (2) Notwithstanding chapter 41.06 RCW, the department of
31 transportation may acquire services from qualified private firms in
32 order to deliver the transportation construction program to the public.
33 Services may be acquired solely for augmenting the department's work
34 force capacity and only when the department's transportation
35 construction program cannot be delivered through its existing or
36 readily available work force. The department of transportation shall
37 work with representatives of transportation labor groups to develop and

1 implement a program identifying those projects requiring contracted
2 services while establishing a program as defined in subsection (1) of
3 this section to provide the classified personnel necessary to deliver
4 future construction programs. The procedures for acquiring
5 construction engineering services from private firms may not be used to
6 displace existing state employees nor diminish the number of existing
7 classified positions in the present construction program. The
8 acquisition procedures must be in accordance with chapter 39.80 RCW.

9 (3) Starting in December 2003, and biennially thereafter, the
10 secretary shall report to the transportation committees of the
11 legislature on the use of construction engineering services from
12 private firms authorized under this section. The information provided
13 to the committees must include an assessment of the benefits and costs
14 associated with using construction engineering services, or other
15 services, from private firms, and a comparison of public versus private
16 sector costs. The secretary is authorized to act on these findings to
17 ensure the most cost-effective means of service delivery.

18 **Sec. 204.** RCW 41.06.380 and 1979 ex.s. c 46 s 2 are each amended
19 to read as follows:

20 (1) Nothing contained in this chapter shall prohibit any
21 department, as defined in RCW 41.06.020, from purchasing services by
22 contract with individuals or business entities if such services were
23 regularly purchased by valid contract by such department prior to April
24 23, 1979: PROVIDED, That no such contract may be executed or renewed
25 if it would have the effect of terminating classified employees or
26 classified employee positions existing at the time of the execution or
27 renewal of the contract.

28 (2) Nothing contained in this chapter prohibits the department of
29 transportation from purchasing construction services or construction
30 engineering services, as those terms are defined in section 202 of this
31 act, by contract from qualified private businesses as specified in
32 section 203(2) of this act.

33 NEW SECTION. **Sec. 205.** Sections 201 through 204 of this act and
34 RCW 41.06.380(2) are null and void if new transportation revenues do
35 not become law by January 1, 2003. Sections 201 through 204 of this
36 act and RCW 41.06.380(2) are effective only for the period consistent

1 with the new transportation revenues, after which time these provisions
2 will expire.

3 **PART III**

4 **APPRENTICESHIP AND ADJUSTMENTS TO PREVAILING WAGE PROVISIONS**

5 NEW SECTION. **Sec. 301.** (1) The legislature finds that a skilled
6 technical work force is necessary for maintaining, preserving, and
7 improving Washington's transportation system. The Blue Ribbon
8 Commission on Transportation found that state and local transportation
9 agencies are showing signs of a work force that is insufficiently
10 skilled to operate the transportation system at its highest level.
11 Sections 301 through 308 of this act are intended to explore methods
12 for fostering a stronger industry in transportation planning and
13 engineering.

14 (2) It is the intent of the legislature that the state prevailing
15 wage process operate efficiently, that the process allow contractors
16 and workers to be paid promptly, and that new technologies and
17 innovative outreach methods be used to enhance wage surveys in order to
18 better reflect current wages in counties across the state.

19 (3) The legislature finds that in order to enhance the prevailing
20 wage process it is appropriate for all intent and affidavit fees paid
21 by contractors be dedicated to the sole purpose of administering the
22 state prevailing wage program.

23 (4) To accomplish the intent of this section and in order to
24 enhance the response of businesses and labor representatives to the
25 prevailing wage survey process, the department shall undertake the
26 following activities:

27 (a) Establish a goal of conducting surveys for each trade every
28 three years;

29 (b) Actively promote increased response rates from all survey
30 recipients in every county both urban and rural. The department shall
31 provide public education and technical assistance to businesses, labor
32 representatives, and public agencies in order to promote a better
33 understanding of prevailing wage laws and increased participation in
34 the prevailing wage survey process;

35 (c) Actively work with businesses, labor representatives, public
36 agencies, and others to ensure the integrity of information used in the

1 development of prevailing wage rates, and ensure uniform compliance
2 with requirements of sections 301 through 308 of this act;

3 (d) Maintain a timely processing of intents and affidavits, with a
4 target processing time no greater than seven working days from receipt
5 of completed forms;

6 (e) Develop and implement electronic processing of intents and
7 affidavits and promote the efficient and effective use of technology to
8 improve the services provided by the prevailing wage program.

9 NEW SECTION. **Sec. 302.** A new section is added to chapter 49.04
10 RCW to read as follows:

11 The apprenticeship council shall work with the department of
12 transportation, local transportation jurisdictions, local and statewide
13 joint apprenticeships, other apprenticeship programs, representatives
14 of labor and business organizations with interest and expertise in the
15 transportation work force, and representatives of the state's
16 universities and community and vocational colleges to establish
17 technical apprenticeship opportunities specific to the needs of
18 transportation. The council shall issue a report of findings and
19 recommendations to the transportation committees of the legislature by
20 December 1, 2002. The report must include, but not be limited to,
21 findings and recommendations regarding the establishment of
22 transportation technical training programs within the community and
23 vocational college system and in the state universities.

24 NEW SECTION. **Sec. 303.** A new section is added to chapter 47.01
25 RCW to read as follows:

26 The department of transportation shall work with local
27 transportation jurisdictions and representatives of transportation
28 labor groups to establish a human resources skills bank of
29 transportation professionals. The skills bank must be designed to
30 allow all transportation authorities to draw from it when needed. The
31 department shall issue a report of findings and recommendations to the
32 transportation committees of the legislature by December 1, 2002. The
33 report must include, but not be limited to, identification of any
34 statutory or administrative rule changes necessary to create the skills
35 bank and allow it to function in the manner described.

1 NEW SECTION. **Sec. 304.** A new section is added to chapter 47.06
2 RCW to read as follows:

3 The state-interest component of the statewide multimodal
4 transportation plan must include a plan for enhancing the skills of the
5 existing technical transportation work force.

6 NEW SECTION. **Sec. 305.** The department of labor and industries, in
7 cooperation with the department of transportation, shall conduct an
8 assessment of the current practices, including survey techniques, used
9 in setting prevailing wages for those trades related to transportation
10 facilities and transportation project delivery. The assessment must
11 include an analysis of regional variations and stratified random
12 sampling survey methods. A final report must be submitted to the
13 governor and the transportation and labor committees of the senate and
14 house of representatives by December 1, 2002.

15 NEW SECTION. **Sec. 306.** A new section is added to chapter 39.12
16 RCW to read as follows:

17 (1) In establishing the prevailing rate of wage under RCW
18 39.12.010, 39.12.015, and 39.12.020, all data collected by the
19 department may be used only in the county for which the work was
20 performed.

21 (2) This section only applies to prevailing wage surveys initiated
22 on or after August 1, 2002.

23 **Sec. 307.** RCW 39.12.070 and 1993 c 404 s 1 are each amended to
24 read as follows:

25 The department of labor and industries may charge fees to awarding
26 agencies on public works for the approval of statements of intent to
27 pay prevailing wages and the certification of affidavits of wages paid.
28 The department may also charge fees to persons or organizations
29 requesting the arbitration of disputes under RCW 39.12.060. The amount
30 of the fees shall be established by rules adopted by the department
31 under the procedures in the administrative procedure act, chapter 34.05
32 RCW. The fees shall apply to all approvals, certifications, and
33 arbitration requests made after the effective date of the rules. All
34 fees shall be deposited in the public works administration account.
35 (~~On the fifteenth day of the first month of each quarterly period, an~~
36 ~~amount equalling thirty percent of the revenues received into the~~

1 ~~public works administration account shall be transferred into the~~
2 ~~general fund.~~)) The department may refuse to arbitrate for
3 contractors, subcontractors, persons, or organizations which have not
4 paid the proper fees. The department may, if necessary, request the
5 attorney general to take legal action to collect delinquent fees.

6 The department shall set the fees permitted by this section at a
7 level that generates revenue that is as near as practicable to the
8 amount of the appropriation to administer this chapter, including, but
9 not limited to, the performance of adequate wage surveys, and to
10 investigate and enforce all alleged violations of this chapter,
11 including, but not limited to, incorrect statements of intent to pay
12 prevailing wage, incorrect certificates of affidavits of wages paid,
13 and wage claims, as provided for in this chapter and chapters 49.48 and
14 49.52 RCW. However, the fees charged for the approval of statements of
15 intent to pay prevailing wages and the certification of affidavits of
16 wages paid shall be no greater than twenty-five dollars.

17 **Sec. 308.** RCW 39.12.080 and 2001 c 219 s 3 are each amended to
18 read as follows:

19 The public works administration account is created in the state
20 treasury. The department of labor and industries shall deposit in the
21 account all moneys received from fees or civil penalties collected
22 under RCW 39.12.050, 39.12.065, and 39.12.070. Appropriations from the
23 account(~~(, not including moneys transferred to the general fund~~
24 ~~pursuant to RCW 39.12.070,~~)) may be made only for the purposes of
25 administration of this chapter, including, but not limited to, the
26 performance of adequate wage surveys, and for the investigation and
27 enforcement of all alleged violations of this chapter as provided for
28 in this chapter and chapters 49.48 and 49.52 RCW.

29 NEW SECTION. **Sec. 309.** Sections 301 through 308 and 310 of this
30 act are null and void if new transportation revenues do not become law
31 by January 1, 2003.

32 NEW SECTION. **Sec. 310.** The sum of nine hundred fifty thousand
33 dollars, or as much thereof as may be necessary, is appropriated from
34 the public works administration account to the department of labor and
35 industries for the biennium ending June 30, 2003, to carry out the
36 purposes of sections 306 through 308 of this act.

1 PART IV

2 TRANSPORTATION PLANNING AND EFFICIENCY

3 **Sec. 401.** RCW 47.05.010 and 1993 c 490 s 1 are each amended to
4 read as follows:

5 The legislature finds that solutions to state highway deficiencies
6 have become increasingly complex and diverse and that anticipated
7 transportation revenues will fall substantially short of the amount
8 required to satisfy all transportation needs. Difficult investment
9 trade-offs will be required.

10 It is the intent of the legislature that investment of state
11 transportation funds to address deficiencies on the state highway
12 system be based on a policy of priority programming having as its basis
13 the rational selection of projects and services according to factual
14 need and an evaluation of life cycle costs and benefits (~~(and which)~~)
15 that are systematically scheduled to carry out defined objectives
16 within available revenue. The state must develop analytic tools to use
17 a common methodology to measure benefits and costs for all modes.

18 The priority programming system (~~(shall)~~) must ensure preservation
19 of the existing state highway system, relieve congestion, provide
20 mobility for people and goods, support the state's economy, and promote
21 environmental protection and energy conservation.

22 The priority programming system (~~(shall)~~) must implement the state-
23 owned highway component of the statewide (~~(multimodal)~~) transportation
24 plan, consistent with local and regional transportation plans, by
25 targeting state transportation investment to appropriate multimodal
26 solutions (~~(which)~~) that address identified state highway system
27 deficiencies.

28 The priority programming system for improvements (~~(shall)~~) must
29 incorporate a broad range of solutions that are identified in the
30 statewide (~~(multimodal)~~) transportation plan as appropriate to address
31 state highway system deficiencies, including but not limited to highway
32 expansion, efficiency improvements, nonmotorized transportation
33 facilities, high occupancy vehicle facilities, transit facilities and
34 services, rail facilities and services, and transportation demand
35 management programs.

36 **Sec. 402.** RCW 47.05.030 and 1998 c 171 s 6 are each amended to
37 read as follows:

1 The transportation commission shall adopt a comprehensive six-year
2 investment program specifying program objectives and performance
3 measures for the preservation and improvement programs defined in this
4 section. In the specification of investment program objectives and
5 performance measures, the transportation commission, in consultation
6 with the Washington state department of transportation, shall define
7 and adopt standards for effective programming and prioritization
8 practices including a needs analysis process. The ~~((needs))~~ analysis
9 process ~~((shall))~~ must ensure the identification of problems and
10 deficiencies, the evaluation of alternative solutions and trade-offs,
11 and estimations of the costs and benefits of prospective projects. The
12 investment program ~~((shall))~~ must be revised biennially, effective on
13 July 1st of odd-numbered years. The investment program ~~((shall))~~ must
14 be based upon the needs identified in the state-owned highway component
15 of the statewide ~~((multimodal))~~ transportation plan as defined in RCW
16 47.01.071(3).

17 (1) The preservation program ~~((shall))~~ consists of those
18 investments necessary to preserve the existing state highway system and
19 to restore existing safety features, giving consideration to lowest
20 life cycle costing. The preservation program must require use of the
21 most cost-effective pavement surfaces, considering:

- 22 (a) Life-cycle cost analysis;
- 23 (b) Traffic volume;
- 24 (c) Subgrade soil conditions;
- 25 (d) Environmental and weather conditions;
- 26 (e) Materials available; and
- 27 (f) Construction factors.

28 The comprehensive six-year investment program for preservation
29 ~~((shall))~~ must identify projects for two years and an investment plan
30 for the remaining four years.

31 (2) The improvement program ~~((shall))~~ consists of investments
32 needed to address identified deficiencies on the state highway system
33 to increase mobility, address congestion, and improve ~~((mobility,))~~
34 safety, support for the economy, and protection of the environment.
35 The six-year investment program for improvements ~~((shall))~~ must
36 identify projects for two years and major deficiencies proposed to be
37 addressed in the six-year period giving consideration to relative
38 benefits and life cycle costing. The transportation commission shall
39 give higher priority for correcting identified deficiencies on those

1 facilities classified as facilities of statewide significance as
2 defined in RCW 47.06.140. Project prioritization must be based
3 primarily upon cost-benefit analysis, where appropriate.

4 The transportation commission shall approve and present the
5 comprehensive six-year investment program to the legislature in support
6 of the biennial budget request under RCW 44.40.070 and 44.40.080.

7 **Sec. 403.** RCW 47.05.035 and 1993 c 490 s 4 are each amended to
8 read as follows:

9 (1) The department and the commission shall use the transportation
10 demand modeling tools developed under subsection (2) of this section to
11 evaluate investments based on the best mode or improvement, or mix of
12 modes and improvements, to meet current and future long-term demand
13 within a corridor or system for the lowest cost. The end result of
14 these demand modeling tools is to provide a cost-benefit analysis by
15 which the department and the commission can determine the relative
16 mobility improvement and congestion relief each mode or improvement
17 under consideration will provide and the relative investment each mode
18 or improvement under consideration will need to achieve that relief.

19 (2) The department will participate in the refinement, enhancement,
20 and application of existing transportation demand modeling tools to be
21 used to evaluate investments. This participation and use of
22 transportation demand modeling tools will be phased in.

23 (3) In developing program objectives and performance measures, the
24 transportation commission shall evaluate investment trade-offs between
25 the preservation and improvement programs. In making these investment
26 trade-offs, the commission shall evaluate, using cost-benefit
27 techniques, roadway and bridge maintenance activities as compared to
28 roadway and bridge preservation program activities and adjust those
29 programs accordingly.

30 (4) The commission shall allocate the estimated revenue between
31 preservation and improvement programs giving primary consideration to
32 the following factors:

33 ~~((1))~~ (a) The relative needs in each of the programs and the
34 system performance levels that can be achieved by meeting these needs;

35 ~~((2))~~ (b) The need to provide adequate funding for preservation
36 to protect the state's investment in its existing highway system;

37 ~~((3))~~ (c) The continuity of future transportation development
38 with those improvements previously programmed; and

1 (~~(4)~~) (d) The availability of dedicated funds for a specific type
2 of work.

3 **Sec. 404.** RCW 47.06.130 and 1993 c 446 s 13 are each amended to
4 read as follows:

5 (1) The department may carry out special transportation planning
6 studies to resolve specific issues with the development of the state
7 transportation system or other statewide transportation issues.

8 (2) The department shall conduct multimodal corridor analyses on
9 major congested corridors where needed improvements are likely to cost
10 in excess of one hundred million dollars. Analysis will include the
11 cost-effectiveness of all feasible strategies in addressing congestion
12 or improving mobility within the corridor, and must recommend the most
13 effective strategy or mix of strategies to address identified
14 deficiencies. A long-term view of corridors must be employed to
15 determine whether an existing corridor should be expanded, a city or
16 county road should become a state route, and whether a new corridor is
17 needed to alleviate congestion and enhance mobility based on travel
18 demand. To the extent practicable, full costs of all strategies must
19 be reflected in the analysis. At a minimum, this analysis must
20 include:

21 (a) The current and projected future demand for total person trips
22 on that corridor;

23 (b) The impact of making no improvements to that corridor;

24 (c) The daily cost per added person served for each mode or
25 improvement proposed to meet demand;

26 (d) The cost per hour of travel time saved per day for each mode or
27 improvement proposed to meet demand; and

28 (e) How much of the current and anticipated future demand will be
29 met and left unmet for each mode or improvement proposed to meet
30 demand.

31 The end result of this analysis will be to provide a cost-benefit
32 analysis by which policymakers can determine the most cost-effective
33 improvement or mode, or mix of improvements and modes, for increasing
34 mobility and reducing congestion.

35 NEW SECTION. **Sec. 405.** The legislature intends that funding for
36 transportation mobility improvements be allocated to the worst traffic
37 chokepoints in the state. Furthermore, the legislature intends to fund

1 projects that provide systemic relief throughout a transportation
2 corridor, rather than spot improvements that fail to improve overall
3 mobility within a corridor.

4 **Sec. 406.** RCW 47.05.051 and 1998 c 175 s 12 are each amended to
5 read as follows:

6 (1) The comprehensive six-year investment program shall be based
7 upon the needs identified in the state-owned highway component of the
8 statewide multimodal transportation plan as defined in RCW 47.01.071(3)
9 and priority selection systems that incorporate the following criteria:

10 ~~((1))~~ (a) Priority programming for the preservation program shall
11 take into account the following, not necessarily in order of
12 importance:

13 ~~((a))~~ (i) Extending the service life of the existing highway
14 system, including using the most cost-effective pavement surfaces,
15 considering:

16 (A) Life-cycle cost analysis;

17 (B) Traffic volume;

18 (C) Subgrade soil conditions;

19 (D) Environmental and weather conditions;

20 (E) Materials available; and

21 (F) Construction factors;

22 ~~((b))~~ (ii) Ensuring the structural ability to carry loads imposed
23 upon highways and bridges; and

24 ~~((c))~~ (iii) Minimizing life cycle costs. The transportation
25 commission in carrying out the provisions of this section may delegate
26 to the department of transportation the authority to select
27 preservation projects to be included in the six-year program.

28 ~~((2))~~ (b) Priority programming for the improvement program
29 ~~((shall take into account))~~ must be based primarily upon the following:

30 ~~((a))~~ (i) Traffic congestion, delay, and accidents;

31 (ii) Location within a heavily traveled transportation corridor;

32 (iii) Synchronization with other potential transportation projects,
33 including transit and multimodal projects, within the heavily traveled
34 corridor; and

35 (iv) Use of benefit/cost analysis wherever feasible to determine
36 the value of the proposed project.

37 (c) Priority programming for the improvement program may also take
38 into account:

1 (i) Support for the state's economy, including job creation and job
2 preservation;

3 ~~((b))~~ (ii) The cost-effective movement of people and goods;

4 ~~((c))~~ (iii) Accident and accident risk reduction;

5 ~~((d))~~ (iv) Protection of the state's natural environment;

6 ~~((e))~~ (v) Continuity and systematic development of the highway
7 transportation network;

8 ~~((f))~~ (vi) Consistency with local comprehensive plans developed
9 under chapter 36.70A RCW;

10 ~~((g))~~ (vii) Consistency with regional transportation plans
11 developed under chapter 47.80 RCW;

12 ~~((h))~~ (viii) Public views concerning proposed improvements;

13 ~~((i))~~ (ix) The conservation of energy resources;

14 ~~((j))~~ (x) Feasibility of financing the full proposed improvement;

15 ~~((k))~~ (xi) Commitments established in previous legislative
16 sessions;

17 ~~((l))~~ (xii) Relative costs and benefits of candidate
18 programs~~((r))~~.

19 ~~((m))~~ (d) Major projects addressing capacity deficiencies which
20 prioritize allowing for preliminary engineering shall be reprioritized
21 during the succeeding biennium, based upon updated project data.
22 Reprioritized projects may be delayed or canceled by the transportation
23 commission if higher priority projects are awaiting funding~~((i-and))~~.

24 ~~((n))~~ (e) Major project approvals which significantly increase a
25 project's scope or cost from original prioritization estimates shall
26 include a review of the project's estimated revised priority rank and
27 the level of funding provided. Projects may be delayed or canceled by
28 the transportation commission if higher priority projects are awaiting
29 funding.

30 ~~((3))~~ (2) The commission may depart from the priority programming
31 established under subsection~~((s))~~ (1) ~~((and-2))~~ of this section: (a)
32 To the extent that otherwise funds cannot be utilized feasibly within
33 the program; (b) as may be required by a court judgment, legally
34 binding agreement, or state and federal laws and regulations; (c) as
35 may be required to coordinate with federal, local, or other state
36 agency construction projects; (d) to take advantage of some substantial
37 financial benefit that may be available; (e) for continuity of route
38 development; or (f) because of changed financial or physical conditions
39 of an unforeseen or emergent nature. The commission or secretary of

1 transportation shall maintain in its files information sufficient to
2 show the extent to which the commission has departed from the
3 established priority.

4 ~~((4))~~ (3) The commission shall identify those projects that yield
5 freight mobility benefits or that alleviate the impacts of freight
6 mobility upon affected communities.

7 NEW SECTION. **Sec. 407.** The department of transportation shall
8 report the results of its priority programming under RCW 47.05.051 to
9 the transportation committees of the senate and house of
10 representatives by December 1, 2003, and December 1, 2005.

11 NEW SECTION. **Sec. 408.** The legislature finds that roads, streets,
12 bridges, and highways in the state represent public assets worth over
13 one hundred billion dollars. These investments require regular
14 maintenance and preservation, or rehabilitation, to provide cost-
15 effective transportation services. Many of these facilities are in
16 poor condition. Given the magnitude of public investment and the
17 importance of safe, reliable roadways to the motoring public, the
18 legislature intends to create stronger accountability to ensure that
19 cost-effective maintenance and preservation is provided for these
20 transportation facilities.

21 **Sec. 409.** RCW 35.84.060 and 1969 ex.s. c 281 s 26 are each amended
22 to read as follows:

23 Every municipal corporation which owns or operates an urban public
24 transportation system as defined in RCW 47.04.082 within its corporate
25 limits, may acquire, construct, extend, own, or operate such urban
26 public transportation system to any point or points not to exceed
27 fifteen miles outside of its corporate limits: PROVIDED, That no
28 municipal corporation shall extend its urban public transportation
29 system beyond its corporate limits to operate in any territory already
30 served by a privately operated auto transportation company holding a
31 certificate of public convenience and necessity from the utilities and
32 transportation commission.

33 As a condition of receiving state funding, the municipal
34 corporation shall submit a maintenance management plan for
35 certification by the transportation commission or its successor entity.
36 The plan must inventory all transportation system assets within the

1 direction and control of the municipality, and provide a preservation
2 plan based on lowest life cycle cost methodologies.

3 NEW SECTION. **Sec. 410.** A new section is added to chapter 36.56
4 RCW to read as follows:

5 As a condition of receiving state funding, a county that has
6 assumed the transportation functions of a metropolitan municipal
7 corporation shall submit a maintenance and preservation management plan
8 for certification by the transportation commission or its successor
9 entity. The plan must inventory all transportation system assets
10 within the direction and control of the county, and provide a
11 preservation plan based on lowest life cycle cost methodologies.

12 NEW SECTION. **Sec. 411.** A new section is added to chapter 36.57A
13 RCW to read as follows:

14 As a condition of receiving state funding, a public transportation
15 benefit area authority shall submit a maintenance and preservation
16 management plan for certification by the transportation commission or
17 its successor entity. The plan must inventory all transportation
18 system assets within the direction and control of the authority, and
19 provide a preservation plan based on lowest life cycle cost
20 methodologies.

21 NEW SECTION. **Sec. 412.** A new section is added to chapter 46.68
22 RCW to read as follows:

23 During the 2003-2005 biennium, cities and towns shall provide to
24 the transportation commission, or its successor entity, preservation
25 rating information on at least seventy percent of the total city and
26 town arterial network. Thereafter, the preservation rating information
27 requirement shall increase in five percent increments in subsequent
28 biennia. The rating system used by cities and towns must be based upon
29 the Washington state pavement rating method or an equivalent standard
30 approved by the transportation commission or its successor entity.

31 **Sec. 413.** RCW 47.06.050 and 1993 c 446 s 5 are each amended to
32 read as follows:

33 The state-owned facilities component of the statewide
34 transportation plan shall consist of:

1 (1) The state highway system plan, which identifies program and
2 financing needs and recommends specific and financially realistic
3 improvements to preserve the structural integrity of the state highway
4 system, ensure acceptable operating conditions, and provide for
5 enhanced access to scenic, recreational, and cultural resources. The
6 state highway system plan shall contain the following elements:

7 (a) A system preservation element, which shall establish structural
8 preservation objectives for the state highway system including bridges,
9 identify current and future structural deficiencies based upon analysis
10 of current conditions and projected future deterioration, and recommend
11 program funding levels and specific actions necessary to preserve the
12 structural integrity of the state highway system consistent with
13 adopted objectives. Lowest life cycle cost methodologies must be used
14 in developing a pavement management system. This element shall serve
15 as the basis for the preservation component of the six-year highway
16 program and the two-year biennial budget request to the legislature;

17 (b) A highway maintenance element, establishing service levels for
18 highway maintenance on state-owned highways that meet benchmarks
19 established by the transportation commission. The highway maintenance
20 element must include an estimate of costs for achieving those service
21 levels over twenty years. This element will serve as the basis for the
22 maintenance component of the six-year highway program and the two-year
23 biennial budget request to the legislature;

24 (c) A capacity and operational improvement element, which shall
25 establish operational objectives, including safety considerations, for
26 moving people and goods on the state highway system, identify current
27 and future capacity, operational, and safety deficiencies, and
28 recommend program funding levels and specific improvements and
29 strategies necessary to achieve the operational objectives. In
30 developing capacity and operational improvement plans the department
31 shall first assess strategies to enhance the operational efficiency of
32 the existing system before recommending system expansion. Strategies
33 to enhance the operational efficiencies include but are not limited to
34 access management, transportation system management, demand management,
35 and high-occupancy vehicle facilities. The capacity and operational
36 improvement element must conform to the state implementation plan for
37 air quality and be consistent with regional transportation plans
38 adopted under chapter 47.80 RCW, and shall serve as the basis for the

1 capacity and operational improvement portions of the six-year highway
2 program and the two-year biennial budget request to the legislature;

3 ~~((e))~~ (d) A scenic and recreational highways element, which shall
4 identify and recommend designation of scenic and recreational highways,
5 provide for enhanced access to scenic, recreational, and cultural
6 resources associated with designated routes, and recommend a variety of
7 management strategies to protect, preserve, and enhance these
8 resources. The department, affected counties, cities, and towns,
9 regional transportation planning organizations, and other state or
10 federal agencies shall jointly develop this element;

11 ~~((d))~~ (e) A paths and trails element, which shall identify the
12 needs of nonmotorized transportation modes on the state transportation
13 systems and provide the basis for the investment of state
14 transportation funds in paths and trails, including funding provided
15 under chapter 47.30 RCW.

16 (2) The state ferry system plan, which shall guide capital and
17 operating investments in the state ferry system. The plan shall
18 establish service objectives for state ferry routes, forecast travel
19 demand for the various markets served in the system, ~~((and))~~ develop
20 strategies for ferry system investment that consider regional and
21 statewide vehicle and passenger needs, support local land use plans,
22 and assure that ferry services are fully integrated with other
23 transportation services. The plan must provide for maintenance of
24 capital assets. The plan must also provide for preservation of capital
25 assets based on lowest life cycle cost methodologies. The plan shall
26 assess the role of private ferries operating under the authority of the
27 utilities and transportation commission and shall coordinate ferry
28 system capital and operational plans with these private operations.
29 The ferry system plan must be consistent with the regional
30 transportation plans for areas served by the state ferry system, and
31 shall be developed in conjunction with the ferry advisory committees.

32 **Sec. 414.** RCW 47.06.090 and 1993 c 446 s 9 are each amended to
33 read as follows:

34 The state-interest component of the statewide multimodal
35 transportation plan shall include an intercity passenger rail plan,
36 which shall analyze existing intercity passenger rail service and
37 recommend improvements to that service under the state passenger rail

1 service program including depot improvements, potential service
2 extensions, and ways to achieve higher train speeds.

3 For purposes of maintaining and preserving any state-owned
4 component of the state's passenger rail program, the statewide
5 multimodal transportation plan must identify all such assets and
6 provide a preservation plan based on lowest life cycle cost
7 methodologies.

8 NEW SECTION. Sec. 415. A new section is added to chapter 81.112
9 RCW to read as follows:

10 As a condition of receiving state funding, a regional transit
11 authority shall submit a maintenance and preservation management plan
12 for certification by the transportation commission or its successor
13 entity. The plan must inventory all transportation system assets
14 within the direction and control of the transit authority, and provide
15 a plan for preservation of assets based on lowest life cycle cost
16 methodologies.

17 NEW SECTION. Sec. 416. A new section is added to chapter 36.78
18 RCW to read as follows:

19 The board shall establish a standard of good practice for
20 maintenance of transportation system assets. This standard must be
21 implemented by all counties no later than December 31, 2007. The board
22 shall develop a model maintenance management system for use by
23 counties. The board shall develop rules to assist the counties in the
24 implementation of this system. Counties shall annually submit their
25 maintenance plans to the board. The board shall compile the county
26 data regarding maintenance management and annually submit it to the
27 transportation commission or its successor entity.

28 NEW SECTION. Sec. 417. Sections 401 through 404 of this act take
29 effect July 1, 2002.

30 NEW SECTION. Sec. 418. Sections 409 through 412, 415, and 416 of
31 this act are null and void if new transportation revenues do not become
32 law by January 1, 2003.

33 NEW SECTION. Sec. 419. Captions and part headings used in this act
34 are not part of the law.

1 NEW SECTION. **Sec. 420.** If any provision of this act or its
2 application to any person or circumstance is held invalid, the
3 remainder of the act or the application of the provision to other
4 persons or circumstances is not affected.

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