
SENATE BILL 6281

State of Washington 57th Legislature

2002 Regular Session

By Senators Jacobsen, Kohl-Welles and Fraser

Read first time 01/14/2002. Referred to Committee on Transportation.

1 AN ACT Relating to transportation funding; amending RCW 46.68.070,
2 46.68.130, 47.01.011, 47.01.071, 47.02.080, 47.08.060, 47.08.070,
3 47.10.070, 47.10.110, 47.10.210, 47.10.340, 47.10.360, 47.10.420,
4 47.10.470, 47.10.716, 47.10.732, 47.10.734, 47.10.757, 47.10.767,
5 47.10.794, 47.10.805, 47.10.823, 47.10.839, 47.10.847, 47.24.020,
6 47.56.288, 47.56.590, 47.56.661, 47.56.702, 47.56.704, 47.60.505,
7 47.60.590, 47.60.806, 47.61.090, and 82.80.070; reenacting and amending
8 RCW 46.68.090; and providing a contingent effective date.

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

10 **Sec. 1.** RCW 46.68.070 and 1972 ex.s. c 103 s 6 are each amended to
11 read as follows:

12 There is created in the state treasury a permanent fund to be known
13 as the motor vehicle fund to the credit of which shall be deposited all
14 moneys directed by law to be deposited therein. This fund shall be for
15 the use of the state, and through state agencies, for the use of
16 counties, cities, and towns for proper road, street, and ((highway))
17 transportation purposes, including the purposes of RCW 47.30.030.

1 **Sec. 2.** RCW 46.68.090 and 1999 c 269 s 2 and 1999 c 94 s 6 are
2 each reenacted and amended to read as follows:

3 (1) All moneys that have accrued or may accrue to the motor vehicle
4 fund from the motor vehicle fuel tax and special fuel tax shall be
5 first expended for purposes enumerated in (a) and (b) of this
6 subsection. The remaining net tax amount shall be distributed monthly
7 by the state treasurer in the proportions set forth in (c) through (l)
8 of this subsection.

9 (a) For payment of refunds of motor vehicle fuel tax and special
10 fuel tax that has been paid and is refundable as provided by law;

11 (b) For payment of amounts to be expended pursuant to
12 appropriations for the administrative expenses of the offices of state
13 treasurer, state auditor, and the department of licensing of the state
14 of Washington in the administration of the motor vehicle fuel tax and
15 the special fuel tax, which sums shall be distributed monthly;

16 (c) For distribution to the motor vehicle fund an amount equal to
17 44.387 percent to be expended for (~~(highway))~~ transportation purposes
18 of the state as defined in RCW 46.68.130;

19 (d) For distribution to the special category C account, hereby
20 created in the motor vehicle fund, an amount equal to 3.2609 percent to
21 be expended for special category C projects. Special category C
22 projects are category C projects that, due to high cost only, will
23 require bond financing to complete construction.

24 The following criteria, listed in order of priority, shall be used
25 in determining which special category C projects have the highest
26 priority:

27 (i) Accident experience;

28 (ii) Fatal accident experience;

29 (iii) Capacity to move people and goods safely and at reasonable
30 speeds without undue congestion; and

31 (iv) Continuity of development of the highway transportation
32 network.

33 Moneys deposited in the special category C account in the motor
34 vehicle fund may be used for payment of debt service on bonds the
35 proceeds of which are used to finance special category C projects under
36 this subsection (1)(d);

37 (e) For distribution to the Puget Sound ferry operations account in
38 the motor vehicle fund an amount equal to 2.3283 percent;

1 (f) For distribution to the Puget Sound capital construction
2 account in the motor vehicle fund an amount equal to 2.3726 percent;

3 (g) For distribution to the urban arterial trust account in the
4 motor vehicle fund an amount equal to 7.5597 percent;

5 (h) For distribution to the transportation improvement account in
6 the motor vehicle fund an amount equal to 5.6739 percent and expended
7 in accordance with RCW 47.26.086;

8 (i) For distribution to the cities and towns from the motor vehicle
9 fund an amount equal to 10.6961 percent in accordance with RCW
10 46.68.110;

11 (j) For distribution to the counties from the motor vehicle fund an
12 amount equal to 19.2287 percent: (i) Out of which there shall be
13 distributed from time to time, as directed by the department of
14 transportation, those sums as may be necessary to carry out the
15 provisions of RCW 47.56.725; and (ii) less any amounts appropriated to
16 the county road administration board to implement the provisions of RCW
17 47.56.725(4), with the balance of such county share to be distributed
18 monthly as the same accrues for distribution in accordance with RCW
19 46.68.120;

20 (k) For distribution to the county arterial preservation account,
21 hereby created in the motor vehicle fund an amount equal to 1.9565
22 percent. These funds shall be distributed by the county road
23 administration board to counties in proportions corresponding to the
24 number of paved arterial lane miles in the unincorporated area of each
25 county and shall be used for improvements to sustain the structural,
26 safety, and operational integrity of county arterials. The county road
27 administration board shall adopt reasonable rules and develop policies
28 to implement this program and to assure that a pavement management
29 system is used;

30 (l) For distribution to the rural arterial trust account in the
31 motor vehicle fund an amount equal to 2.5363 percent and expended in
32 accordance with RCW 36.79.020.

33 (2) Nothing in this section or in RCW 46.68.130 may be construed so
34 as to violate any terms or conditions contained in any highway
35 construction bond issues now or hereafter authorized by statute and
36 whose payment is by such statute pledged to be paid from any excise
37 taxes on motor vehicle fuel and special fuels.

1 **Sec. 3.** RCW 46.68.130 and 1999 c 269 s 4 are each amended to read
2 as follows:

3 The tax amount distributed to the state in the manner provided by
4 RCW 46.68.090, and all moneys accruing to the motor vehicle fund from
5 any other source, less such sums as are properly appropriated and
6 reappropriated for expenditure for costs of collection and
7 administration thereof, shall be expended, subject to proper
8 appropriation and reappropriation, solely for ~~((highway))~~
9 transportation purposes of the state, including the purposes of RCW
10 47.30.030. For the purposes of this section, the term "~~((highway))~~
11 transportation purposes of the state" does not include those
12 expenditures of the Washington state patrol heretofore appropriated or
13 reappropriated from the motor vehicle fund. Nothing in this section or
14 in RCW 46.68.090 may be construed so as to violate terms or conditions
15 contained in highway construction bond issues authorized by statute as
16 of July 1, 1999, or thereafter and whose payment is, by the statute,
17 pledged to be paid from excise taxes on motor vehicle fuel and special
18 fuels.

19 **Sec. 4.** RCW 47.01.011 and 1977 ex.s. c 151 s 1 are each amended to
20 read as follows:

21 The legislature hereby recognizes the following imperative needs
22 within the state: To create a statewide transportation development
23 plan which identifies present status and sets goals for the future; to
24 coordinate transportation modes; to promote and protect land use
25 programs required in local, state, and federal law; to coordinate
26 transportation with the economic development of the state; to supply a
27 broad framework in which regional, metropolitan, and local
28 transportation needs can be related; to facilitate the supply of
29 federal and state aid to those areas which will most benefit the state
30 as a whole; to provide for public involvement in the transportation
31 planning and development process; to administer programs within the
32 jurisdiction of this title relating to the safety of the state's
33 transportation systems; and to coordinate and implement national
34 transportation policy with the state transportation planning program.

35 The legislature finds and declares that placing all elements of
36 transportation in a single department is fully consistent with and
37 shall in no way impair the use of moneys in the motor vehicle fund
38 exclusively for ~~((highway))~~ transportation purposes.

1 Through this chapter, a unified department of transportation is
2 created. To the jurisdiction of this department will be transferred
3 the present powers, duties, and functions of the department of
4 highways, the highway commission, the toll bridge authority, the
5 aeronautics commission, and the canal commission, and the
6 transportation related powers, duties, and functions of the planning
7 and community affairs agency.

8 **Sec. 5.** RCW 47.01.071 and 1981 c 59 s 2 are each amended to read
9 as follows:

10 The transportation commission shall have the following functions,
11 powers, and duties:

12 (1) To propose policies to be adopted by the legislature designed
13 to assure the development and maintenance of a comprehensive and
14 balanced statewide transportation system which will meet the needs of
15 the people of this state for safe and efficient transportation
16 services. Wherever appropriate the policies shall provide for the use
17 of integrated, intermodal transportation systems to implement the
18 social, economic, and environmental policies, goals, and objectives of
19 the people of the state, and especially to conserve nonrenewable
20 natural resources including land and energy. To this end the
21 commission shall:

22 (a) Develop transportation policies which are based on the
23 policies, goals, and objectives expressed and inherent in existing
24 state laws;

25 (b) Inventory the adopted policies, goals, and objectives of the
26 local and area-wide governmental bodies of the state and define the
27 role of the state, regional, and local governments in determining
28 transportation policies, in transportation planning, and in
29 implementing the state transportation plan;

30 (c) Propose a transportation policy for the state, and after notice
31 and public hearings, submit the proposal to the legislative
32 transportation committee and the senate and house transportation
33 committees by January 1, 1978, for consideration in the next
34 legislative session;

35 (d) Establish a procedure for review and revision of the state
36 transportation policy and for submission of proposed changes to the
37 legislature;

1 (e) To integrate the statewide transportation plan with the needs
2 of the elderly and handicapped, and to coordinate federal and state
3 programs directed at assisting local governments to answer such needs;

4 (2) To establish the policy of the department to be followed by the
5 secretary on each of the following items:

6 (a) To provide for the effective coordination of state
7 transportation planning with national transportation policy, state and
8 local land use policies, and local and regional transportation plans
9 and programs;

10 (b) To provide for public involvement in transportation designed to
11 elicit the public's views both with respect to adequate transportation
12 services and appropriate means of minimizing adverse social, economic,
13 environmental, and energy impact of transportation programs;

14 (c) To provide for the administration of grants in aid and other
15 financial assistance to counties and municipal corporations for
16 transportation purposes;

17 (d) To provide for the management, sale, and lease of property or
18 property rights owned by the department which are not required for
19 transportation purposes;

20 (3) To direct the secretary to prepare and submit to the commission
21 a comprehensive and balanced statewide transportation plan which shall
22 be based on the transportation policy adopted by the legislature and
23 applicable state and federal laws. After public notice and hearings,
24 the commission shall adopt the plan and submit it to the legislative
25 transportation committee and to the house and senate standing
26 committees on transportation before January 1, 1980, for consideration
27 in the 1980 regular legislative session. The plan shall be reviewed
28 and revised prior to each regular session of the legislature during an
29 even-numbered year thereafter. A preliminary plan shall be submitted
30 to such committees by January 1, 1979.

31 The plan shall take into account federal law and regulations
32 relating to the planning, construction, and operation of transportation
33 facilities;

34 (4) To propose to the governor and the legislature prior to the
35 convening of each regular session held in an odd-numbered year a
36 recommended budget for the operations of the commission as required by
37 RCW 47.01.061;

38 (5) To approve and propose to the governor and to the legislature
39 prior to the convening of each regular session during an odd-numbered

1 year a recommended budget for the operation of the department and for
2 carrying out the program of the department for the ensuing biennium.
3 The proposed budget shall separately state the appropriations to be
4 made from the motor vehicle fund for ((highway)) transportation
5 purposes in accordance with constitutional limitations and
6 appropriations and expenditures to be made from the general fund, or
7 accounts thereof, and other available sources for other operations and
8 programs of the department;

9 (6) To review and authorize all departmental requests for
10 legislation;

11 (7) To approve the issuance and sale of all bonds authorized by the
12 legislature for capital construction of state highways, toll
13 facilities, Columbia Basin county roads (for which reimbursement to the
14 motor vehicle fund has been provided), urban arterial projects, and
15 aviation facilities;

16 (8) To adopt such rules, regulations, and policy directives as may
17 be necessary to carry out reasonably and properly those functions
18 expressly vested in the commission by statute;

19 (9) To delegate any of its powers to the secretary of
20 transportation whenever it deems it desirable for the efficient
21 administration of the department and consistent with the purposes of
22 this title;

23 (10) To exercise such other specific powers and duties as may be
24 vested in the transportation commission by this or any other provision
25 of law.

26 **Sec. 6.** RCW 47.02.080 and 1984 c 7 s 84 are each amended to read
27 as follows:

28 Any funds required to repay such bonds, or the interest thereon
29 when due, shall be taken from that portion of the motor vehicle fund
30 which results from the imposition of excise taxes on motor vehicle
31 fuels and which is, or may be appropriated to the department for state
32 ((highway)) transportation purposes, and shall never constitute a
33 charge against any allocations of such funds to counties, cities, and
34 towns unless and until the amount of the motor vehicle fund arising
35 from the excise taxes on motor vehicle fuels and available for state
36 ((highway)) transportation purposes proves insufficient to meet the
37 requirements for bond retirement or interest on any such bonds.

1 **Sec. 7.** RCW 47.08.060 and 1967 ex.s. c 145 s 45 are each amended
2 to read as follows:

3 Whenever any moneys shall be realized by the state of Washington as
4 a result of any agreement authorized by RCW 47.08.040, the same shall
5 be deposited in the treasury of the state of Washington to the credit
6 of the motor vehicle fund, and shall be available for ((highway))
7 transportation purposes only.

8 **Sec. 8.** RCW 47.08.070 and 1984 c 7 s 95 are each amended to read
9 as follows:

10 When it appears to the department that any state highway will be
11 benefited or improved by the construction of any public works project,
12 including any urban public transportation system, within the state of
13 Washington by any of the departments of the state of Washington, by the
14 federal government, or by any agency, instrumentality, or municipal
15 corporation of either the state of Washington or the United States, the
16 department is authorized to enter into cooperative agreements with any
17 such state department, with the United States, or with any agency,
18 instrumentality, or municipal corporation of either the state of
19 Washington or the United States, wherein the state of Washington,
20 acting through the department, will participate in the cost of the
21 public works project in such amount as may be determined by the
22 department to be the value of the benefits or improvements to the
23 particular state highway derived from the construction of the public
24 works project. Under any such agreement the department may contribute
25 to the cost of the public works project by making direct payment to the
26 particular state department, federal government, or to any agency,
27 instrumentality, or municipal corporation of either the state or the
28 United States, or any combination thereof, which may be involved in the
29 project, from any funds appropriated to the department and available
30 for ((highway)) transportation purposes, or by doing a portion of the
31 project either by day labor or by contract, or in any other manner as
32 may be deemed advisable and necessary by the department.

33 **Sec. 9.** RCW 47.10.070 and 1984 c 7 s 100 are each amended to read
34 as follows:

35 Any funds required to repay such bonds, or the interest thereon
36 when due, subject to the proviso of this section, shall be taken from
37 that portion of the motor vehicle fund which results from the

1 imposition of all excise taxes on motor vehicle fuels and which is, or
2 may be, appropriated to the department for state ((highway))
3 transportation purposes, and shall never constitute a charge against
4 any allocations of such funds to counties, cities, and towns unless and
5 until the amount of the motor vehicle fund arising from the excise
6 taxes on motor vehicle fuels and available for state ((highway))
7 transportation purposes proves insufficient to meet the requirements
8 for bond retirement or the interest on any bonds: PROVIDED, That money
9 required hereunder to pay interest on or to retire any bonds issued for
10 Columbia Basin county arterial highways or farm to market roads shall
11 be repaid by any such county or counties wherein such highways or roads
12 are constructed in the manner set forth in RCW 47.10.110.

13 **Sec. 10.** RCW 47.10.110 and 1984 c 7 s 101 are each amended to read
14 as follows:

15 The secretary shall report separately to the state finance
16 committee all sums expended from funds resulting from the sale of bonds
17 for Columbia Basin county arterial highways and farm to market roads in
18 Grant, Franklin, and Adams counties under the provisions of RCW
19 47.10.010 through 47.10.140. Those counties shall repay to the state
20 all the cost of any Columbia Basin highway or road facilities actually
21 constructed under the provisions of RCW 47.10.010 through 47.10.140
22 within each of such counties as follows: The state finance committee,
23 at least one year prior to the date any interest is due and payable on
24 such bonds or before the maturity date of any such bonds, shall
25 ascertain the percentage of the motor vehicle funds arising from the
26 excise taxes on motor vehicle fuels, which is to be transferred to such
27 counties under the provisions of law which will be necessary to pay all
28 of the interest upon or retire when due all of the portion of said
29 bonds chargeable to expenditures incurred under the provisions of RCW
30 47.10.010 through 47.10.140 in each of said counties. The state
31 finance committee shall notify the state treasurer of this estimate and
32 the treasurer shall thereafter, when distributions are made from the
33 motor vehicle fund to counties, retain such percentage of the total
34 sums credited to such counties as aforesaid in the motor vehicle fund
35 arising from the excise taxes on motor vehicle fuels until such fund is
36 fully reimbursed for all expenditures under RCW 47.10.010 through
37 47.10.140 in Grant, Adams, and Franklin counties. Any money so

1 retained shall be available for state ((highway)) transportation
2 purposes.

3 **Sec. 11.** RCW 47.10.210 and 1984 c 7 s 102 are each amended to read
4 as follows:

5 Any funds required to repay such bonds, or the interest thereon
6 when due shall be taken from that portion of the motor vehicle fund
7 which results from the imposition of all excise taxes on motor vehicle
8 fuels and which is, or may be, appropriated to the department for state
9 ((highway)) transportation purposes, and shall never constitute a
10 charge against any allocations of such funds to counties, cities, and
11 towns unless and until the amount of the motor vehicle fund arising
12 from the excise taxes on motor vehicle fuels and available for state
13 ((highway)) transportation purposes proves insufficient to meet the
14 requirements for bond retirement or the interest on any bonds.

15 **Sec. 12.** RCW 47.10.340 and 1984 c 7 s 103 are each amended to read
16 as follows:

17 Any funds required to repay such bonds, or the interest thereon
18 when due, subject to the proviso of this section, shall be taken from
19 that portion of the motor vehicle fund which results from the
20 imposition of all excise taxes on motor vehicle fuels and which is, or
21 may be, appropriated to the department for state ((highway))
22 transportation purposes. They shall never constitute a charge against
23 any allocation of such funds to counties, cities, and towns unless and
24 until the amount of the motor vehicle fund arising from the excise
25 taxes on motor vehicle fuels and available for state ((highway))
26 transportation purposes proves insufficient to meet the requirements
27 for bond retirement or the interest on any bonds: PROVIDED, That money
28 required hereunder to pay interest on or to retire any bonds issued for
29 Columbia Basin county arterial highways or farm to market roads shall
30 be repaid by any such county or counties wherein such highways or roads
31 are constructed in the manner set forth in RCW 47.10.360.

32 **Sec. 13.** RCW 47.10.360 and 1984 c 7 s 104 are each amended to read
33 as follows:

34 The secretary shall report to the state finance committee all sums
35 expended from funds resulting from the sale of bonds for Columbia Basin
36 county arterial highways and farm to market roads in Grant, Franklin,

1 and Adams counties under the provisions of RCW 47.10.280 through
2 47.10.400. Those counties shall repay to the state all the cost of any
3 Columbia Basin highway or road facilities actually constructed under
4 the provisions of RCW 47.10.280 through 47.10.400 within each of those
5 counties as follows: The state finance committee, at least one year
6 prior to the date any such interest is due and payable on such bonds or
7 before the maturity date of any such bonds, shall ascertain the
8 percentage of the motor vehicle funds arising from the excise taxes on
9 motor vehicle fuels, which is to be transferred to such counties under
10 the provisions of law which will be necessary to pay all of the
11 interest upon or retire when due all of the portion of said bonds
12 chargeable to expenditures incurred under the provisions of RCW
13 47.10.280 through 47.10.400 in each of said counties. The state
14 finance committee shall notify the state treasurer of this estimate and
15 the treasurer shall thereafter, when distributions are made from the
16 motor vehicle fund to counties, retain such percentage of the total
17 sums credited to such counties as aforesaid in the motor vehicle fund
18 arising from such excise taxes on motor vehicle fuels until such fund
19 is fully reimbursed for all expenditures under RCW 47.10.280 through
20 47.10.400 in Grant, Adams, and Franklin counties. Any money so
21 retained shall be available for state ((highway)) transportation
22 purposes.

23 **Sec. 14.** RCW 47.10.420 and 1961 c 13 s 47.10.420 are each amended
24 to read as follows:

25 To provide additional funds for the construction of the "Echo Lake
26 Route," in addition to bonds authorized to be sold by RCW 47.10.160 and
27 as allocated by RCW 47.10.270, there shall be issued and sold limited
28 obligation bonds of the state of Washington in the sum of three million
29 dollars. The issuance, sale and retirement of said bonds shall be
30 under the general supervision and control of the state finance
31 committee. The state finance committee shall when notified by the
32 Washington state highway commission, provide for the issuance of coupon
33 or registered bonds to be dated, issued and sold from time to time in
34 such amounts as may be necessary to the orderly progress of
35 construction of this project: PROVIDED, That if funds are available in
36 the motor vehicle fund in an amount greater than is necessary to pay
37 current demands, moneys appropriated to the state highway commission
38 for ((highway)) transportation purposes may be used to finance this

1 project until such time as bonds are sold, as provided by law, at which
2 time the motor vehicle fund shall be reimbursed.

3 **Sec. 15.** RCW 47.10.470 and 1984 c 7 s 105 are each amended to read
4 as follows:

5 Any funds required to repay such bonds, or the interest thereon
6 when due shall be taken from that portion of the motor vehicle fund
7 which results from the imposition of all excise taxes on motor vehicle
8 fuels and which is, or may be, appropriated to the department for state
9 ((highway)) transportation purposes, and shall never constitute a
10 charge against any allocations of such funds to counties, cities, and
11 towns unless and until the amount of the motor vehicle fund arising
12 from the excise taxes on motor vehicle fuels and available for state
13 ((highway)) transportation purposes proves insufficient to meet the
14 requirements for bond retirement or the interest on any bonds.

15 **Sec. 16.** RCW 47.10.716 and 1984 c 7 s 106 are each amended to read
16 as follows:

17 Any funds required to repay such bonds, or the interest thereon
18 when due, subject to the proviso of this section, shall be taken from
19 that portion of the motor vehicle fund which results from the
20 imposition of excise taxes on motor vehicle fuels and which is, or may
21 be appropriated to the department for state ((highway)) transportation
22 purposes, and shall never constitute a charge against any allocations
23 of such funds to counties, cities, and towns unless and until the
24 amount of the motor vehicle fund arising from the excise taxes on motor
25 vehicle fuels and available for state ((highway)) transportation
26 purposes proves insufficient to meet the requirements for bond
27 retirement or interest on any such bonds.

28 **Sec. 17.** RCW 47.10.732 and 1984 c 7 s 108 are each amended to read
29 as follows:

30 Any funds required to repay such bonds, or the interest thereon
31 when due, subject to the proviso of this section, shall be taken from
32 that portion of the motor vehicle fund which results from the
33 imposition of all excise taxes on motor vehicle fuels and which is, or
34 may be, appropriated to the department for state ((highway))
35 transportation purposes. They shall never constitute a charge against
36 any allocation of such funds to counties, cities, and towns unless and

1 until the amount of the motor vehicle fund arising from the excise
2 taxes on motor vehicle fuels and available for state ((highway))
3 transportation purposes proves insufficient to meet the requirements
4 for bond retirement or the interest on any bonds: PROVIDED, That money
5 required hereunder to pay interest on or to retire any bonds issued as
6 authorized by RCW 47.10.726 through 47.10.738 shall be repaid by the
7 county or counties wherein the highways or roads are constructed in the
8 manner set forth in RCW 47.10.734.

9 **Sec. 18.** RCW 47.10.734 and 1984 c 7 s 109 are each amended to read
10 as follows:

11 The secretary shall report to the state finance committee all sums
12 expended from funds resulting from the sale of bonds authorized by RCW
13 47.10.726 through 47.10.738. Grant, Franklin, and Adams counties shall
14 repay to the state all the cost of highway or road facilities actually
15 constructed under the provisions of RCW 47.10.726 through 47.10.738
16 within each of said counties as follows: The state finance committee,
17 at least one year prior to the date any such interest is due and
18 payable on such bonds or before the maturity date of any such bonds,
19 shall ascertain the percentage of the motor vehicle funds arising from
20 the excise taxes on motor vehicle fuels, which is to be transferred to
21 such counties under the provisions of law which will be necessary to
22 pay all of the interest upon or retire when due all of the portion of
23 said bonds sold under the provisions of RCW 47.10.726 through 47.10.738
24 in each of said counties. The state finance committee shall notify the
25 state treasurer of this estimate and the treasurer shall thereafter,
26 when distributions are made from the motor vehicle fund to counties,
27 retain such percentage of the total sums credited to such counties as
28 aforesaid in the motor vehicle fund arising from such excise taxes on
29 motor vehicle fuels until such fund is fully reimbursed for all
30 expenditures under RCW 47.10.726 through 47.10.738 in Grant, Adams, and
31 Franklin counties. Any money so retained shall be available for state
32 ((highway)) transportation purposes.

33 **Sec. 19.** RCW 47.10.757 and 1984 c 7 s 110 are each amended to read
34 as follows:

35 Any funds required to repay such bonds, or the interest thereon
36 when due, subject to the proviso of this section, shall be taken from
37 that portion of the motor vehicle fund which results from the

1 imposition of excise taxes on motor vehicle fuels and which is or may
2 be appropriated to the department for state (~~highway~~) transportation
3 purposes, and shall never constitute a charge against any allocations
4 of any other such funds to the state, counties, cities, and towns
5 unless and until the amount of the motor vehicle fund arising from the
6 excise taxes on motor vehicle fuels and available to the state for
7 (~~construction of state highways~~) the state transportation system
8 proves insufficient to meet the requirements for bond retirement or
9 interest on any such bonds.

10 **Sec. 20.** RCW 47.10.767 and 1984 c 7 s 112 are each amended to read
11 as follows:

12 Any funds required to repay such bonds, or the interest thereon
13 when due, subject to the proviso of this section, shall be taken from
14 that portion of the motor vehicle fund which results from the
15 imposition of excise taxes on motor vehicle fuels and which is, or may
16 be appropriated to the department for state (~~highway~~) transportation
17 purposes, and shall never constitute a charge against any allocations
18 of such funds to counties, cities, and towns unless and until the
19 amount of the motor vehicle fund arising from the excise taxes on motor
20 vehicle fuels and available for state (~~highway~~) transportation
21 purposes proves insufficient to meet the requirements for bond
22 retirement or interest on any such bonds.

23 **Sec. 21.** RCW 47.10.794 and 1979 ex.s. c 180 s 5 are each amended
24 to read as follows:

25 Any funds required to repay the bonds authorized by RCW 47.10.790
26 or the interest thereon when due shall be taken from that portion of
27 the motor vehicle fund which results from the imposition of excise
28 taxes on motor vehicle and special fuels and which is distributed to
29 the state for expenditure pursuant to RCW 46.68.130 and shall never
30 constitute a charge against any allocations of such funds to counties,
31 cities, and towns unless and until the amount of the motor vehicle fund
32 arising from the excise taxes on motor vehicle and special fuels and
33 available for state (~~highway~~) transportation purposes proves
34 insufficient to meet the requirements for bond retirement or interest
35 on any such bonds.

1 **Sec. 22.** RCW 47.10.805 and 1981 c 316 s 5 are each amended to read
2 as follows:

3 Any funds required to repay the bonds authorized by RCW 47.10.801
4 or the interest thereon when due shall be taken from that portion of
5 the motor vehicle fund which results from the imposition of excise
6 taxes on motor vehicle and special fuels and which is distributed to
7 the state for expenditure pursuant to RCW 46.68.130 and shall never
8 constitute a charge against any allocations of such funds to counties,
9 cities, and towns unless the amount of the motor vehicle fund arising
10 from the excise taxes on motor vehicle and special fuels and available
11 for state ((highway)) transportation purposes proves insufficient to
12 meet the requirements for bond retirement or interest on any such
13 bonds.

14 **Sec. 23.** RCW 47.10.823 and 1993 c 432 s 5 are each amended to read
15 as follows:

16 Both principal and interest on the bonds issued for the purposes of
17 RCW 47.10.819 through 47.10.824 shall be payable from the highway bond
18 retirement fund. The state finance committee may provide that a
19 special account be created in the fund to facilitate payment of the
20 principal and interest. The state finance committee shall, on or
21 before June 30th of each year, certify to the state treasurer the
22 amount required for principal and interest on the bonds in accordance
23 with the bond proceedings. The state treasurer shall withdraw revenues
24 from the motor vehicle fund and deposit in the highway bond retirement
25 fund, or a special account in the fund, such amounts, and at such
26 times, as are required by the bond proceedings.

27 Any funds required for bond retirement or interest on the bonds
28 authorized by RCW 47.10.819 through 47.10.824 shall be taken from that
29 portion of the motor vehicle fund that results from the imposition of
30 excise taxes on motor vehicle and special fuels and which is, or may be
31 appropriated to the department of transportation for state ((highway))
32 transportation purposes. Funds required shall never constitute a
33 charge against any other allocations of motor vehicle fuel and special
34 fuel tax revenues to the state, counties, cities, and towns unless the
35 amount arising from excise taxes on motor vehicle and special fuels
36 distributed to the state in the motor vehicle fund proves insufficient
37 to meet the requirements for bond retirement or interest on any such
38 bonds.

1 Any payments for bond retirement or interest on the bonds taken
2 from other revenues from the motor vehicle fuel or special fuel taxes
3 that are distributed to the state, counties, cities, and towns, shall
4 be repaid from the first revenues from the motor vehicle fuel or
5 special fuel taxes distributed to the motor vehicle fund not required
6 for bond retirement or interest on the bonds.

7 **Sec. 24.** RCW 47.10.839 and 1995 2nd sp.s. c 15 s 6 are each
8 amended to read as follows:

9 (1) Both principal and interest on the bonds issued for the
10 purposes of RCW 47.10.834 through 47.10.841 are payable from the
11 highway bond retirement fund.

12 (2) The state finance committee shall, on or before June 30th of
13 each year certify to the state treasurer the amount required for
14 principal and interest on the bonds issued for the purposes specified
15 in RCW 47.10.836 in accordance with the bond proceedings. The state
16 treasurer shall withdraw revenues from the motor vehicle fund and
17 deposit into the highway bond retirement fund such amounts, and at such
18 times, as are required by the bond proceedings.

19 (3) Any funds required for bond retirement or interest on the bonds
20 authorized by RCW 47.10.834 through 47.10.841 shall be taken from that
21 portion of the motor vehicle fund that results from the imposition of
22 excise taxes on motor vehicle and special fuels which is, or may be
23 appropriated to the department of transportation for state (~~highway~~)
24 transportation purposes. Funds required shall never constitute a
25 charge against any other allocations of motor vehicle fuel and special
26 fuel tax revenues to the state, counties, cities, or towns unless the
27 amount arising from excise taxes on motor vehicle and special fuels
28 distributed to the state in the motor vehicle fund proves insufficient
29 to meet the requirements for bond retirement or interest on any such
30 bonds.

31 (4) Any payments for bond retirement or interest on the bonds taken
32 from other revenues from the motor vehicle fuel and special fuel taxes
33 that are distributable to the state, counties, cities, or towns shall
34 be repaid from the first revenues from the motor vehicle fuel or
35 special fuel taxes distributed to the motor vehicle fund not required
36 for bond retirement or interest on the bonds.

1 **Sec. 25.** RCW 47.10.847 and 1998 c 321 s 20 are each amended to
2 read as follows:

3 Both principal and interest on the bonds issued for the purposes of
4 RCW 47.10.843 through 47.10.848 shall be payable from the highway bond
5 retirement fund. The state finance committee may provide that a
6 special account be created in the fund to facilitate payment of the
7 principal and interest. The state finance committee shall, on or
8 before June 30th of each year, certify to the state treasurer the
9 amount required for principal and interest on the bonds in accordance
10 with the bond proceedings. The state treasurer shall withdraw revenues
11 from the motor vehicle fund and deposit in the highway bond retirement
12 fund, or a special account in the fund, such amounts, and at such
13 times, as are required by the bond proceedings.

14 Any funds required for bond retirement or interest on the bonds
15 authorized by RCW 47.10.843 through 47.10.848 shall be taken from that
16 portion of the motor vehicle fund that results from the imposition of
17 excise taxes on motor vehicle and special fuels and which is, or may
18 be, appropriated to the department of transportation for state
19 ((highway)) transportation purposes. Funds required shall never
20 constitute a charge against any other allocations of motor vehicle fuel
21 and special fuel tax revenues to the state, counties, cities and towns
22 unless the amount arising from excise taxes on motor vehicle and
23 special fuels distributed to the state in the motor vehicle fund proves
24 insufficient to meet the requirements for bond retirement or interest
25 on any such bonds.

26 Any payments for bond retirement or interest on the bonds taken
27 from other revenues from the motor vehicle fuel or special fuel taxes
28 that are distributable to the state, counties, cities, and towns, shall
29 be repaid from the first revenues from the motor vehicle fuel or
30 special fuel taxes distributed to the motor vehicle fund not required
31 for bond retirement or interest on the bonds.

32 **Sec. 26.** RCW 47.24.020 and 2001 c 201 s 8 are each amended to read
33 as follows:

34 The jurisdiction, control, and duty of the state and city or town
35 with respect to such streets is as follows:

36 (1) The department has no authority to change or establish any
37 grade of any such street without approval of the governing body of such

1 city or town, except with respect to limited access facilities
2 established by the commission;

3 (2) The city or town shall exercise full responsibility for and
4 control over any such street beyond the curbs and if no curb is
5 installed, beyond that portion of the highway used for ((highway))
6 transportation purposes. However, within incorporated cities and towns
7 the title to a state limited access highway vests in the state, and,
8 notwithstanding any other provision of this section, the department
9 shall exercise full jurisdiction, responsibility, and control to and
10 over such facility as provided in chapter 47.52 RCW;

11 (3) The department has authority to prohibit the suspension of
12 signs, banners, or decorations above the portion of such street between
13 the curbs or portion used for ((highway)) transportation purposes up to
14 a vertical height of twenty feet above the surface of the roadway;

15 (4) The city or town shall at its own expense maintain all
16 underground facilities in such streets, and has the right to construct
17 such additional underground facilities as may be necessary in such
18 streets. However, pavement trenching and restoration performed as part
19 of installation of such facilities must meet or exceed requirements
20 established by the department;

21 (5) The city or town has the right to grant the privilege to open
22 the surface of any such street, but all damage occasioned thereby shall
23 promptly be repaired either by the city or town itself or at its
24 direction. Pavement trenching and restoration performed under a
25 privilege granted by the city under this subsection must meet or exceed
26 requirements established by the department;

27 (6) The city or town at its own expense shall provide street
28 illumination and shall clean all such streets, including storm sewer
29 inlets and catch basins, and remove all snow, except that the state
30 shall when necessary plow the snow on the roadway. In cities and towns
31 having a population of twenty-two thousand five hundred or less
32 according to the latest determination of population by the office of
33 financial management, the state, when necessary for public safety,
34 shall assume, at its expense, responsibility for the stability of the
35 slopes of cuts and fills and the embankments within the right of way to
36 protect the roadway itself. When the population of a city or town
37 first exceeds twenty-two thousand five hundred according to the
38 determination of population by the office of financial management, the
39 city or town shall have three years from the date of the determination

1 to plan for additional staffing, budgetary, and equipment requirements
2 before being required to assume the responsibilities under this
3 subsection. The state shall install, maintain, and operate all
4 illuminating facilities on any limited access facility, together with
5 its interchanges, located within the corporate limits of any city or
6 town, and shall assume and pay the costs of all such installation,
7 maintenance, and operation incurred after November 1, 1954;

8 (7) The department has the right to use all storm sewers on such
9 highways without cost; and if new storm sewer facilities are necessary
10 in construction of new streets by the department, the cost of the
11 facilities shall be borne by the state and/or city as may be mutually
12 agreed upon between the department and the governing body of the city
13 or town;

14 (8) Cities and towns have exclusive right to grant franchises not
15 in conflict with state laws and rules, over, beneath, and upon such
16 streets, but the department is authorized to enforce in an action
17 brought in the name of the state any condition of any franchise which
18 a city or town has granted on such street. No franchise for
19 transportation of passengers in motor vehicles may be granted on such
20 streets without the approval of the department, but the department
21 shall not refuse to approve such franchise unless another street
22 conveniently located and of strength of construction to sustain travel
23 of such vehicles is accessible;

24 (9) Every franchise or permit granted any person by a city or town
25 for use of any portion of such street by a public utility must require
26 the grantee or permittee to restore, repair, and replace any portion of
27 the street damaged or injured by it to conditions that meet or exceed
28 requirements established by the department;

29 (10) The city or town has the right to issue overload or overwidth
30 permits for vehicles to operate on such streets or roads subject to
31 regulations printed and distributed to the cities and towns by the
32 department;

33 (11) Cities and towns shall regulate and enforce all traffic and
34 parking restrictions on such streets, but all regulations adopted by a
35 city or town relating to speed, parking, and traffic control devices on
36 such streets not identical to state law relating thereto are subject to
37 the approval of the department before becoming effective. All
38 regulations pertaining to speed, parking, and traffic control devices
39 relating to such streets heretofore adopted by a city or town not

1 identical with state laws shall become null and void unless approved by
2 the department heretofore or within one year after March 21, 1963;

3 (12) The department shall erect, control, and maintain at state
4 expense all route markers and directional signs, except street signs,
5 on such streets;

6 (13) The department shall install, operate, maintain, and control
7 at state expense all traffic control signals, signs, and traffic
8 control devices for the purpose of regulating both pedestrian and motor
9 vehicular traffic on, entering upon, or leaving state highways in
10 cities and towns having a population of twenty-two thousand five
11 hundred or less according to the latest determination of population by
12 the office of financial management. Such cities and towns may submit
13 to the department a plan for traffic control signals, signs, and
14 traffic control devices desired by them, indicating the location,
15 nature of installation, or type thereof, or a proposed amendment to
16 such an existing plan or installation, and the department shall consult
17 with the cities or towns concerning the plan before installing such
18 signals, signs, or devices. Cities and towns having a population in
19 excess of twenty-two thousand five hundred according to the latest
20 determination of population by the office of financial management shall
21 install, maintain, operate, and control such signals, signs, and
22 devices at their own expense, subject to approval of the department for
23 the installation and type only. When the population of a city or town
24 first exceeds twenty-two thousand five hundred according to the
25 determination of population by the office of financial management, the
26 city or town shall have three years from the date of the determination
27 to plan for additional staffing, budgetary, and equipment requirements
28 before being required to assume the responsibilities under this
29 subsection. For the purpose of this subsection, striping, lane
30 marking, and channelization are considered traffic control devices;

31 (14) All revenue from parking meters placed on such streets belongs
32 to the city or town;

33 (15) Rights of way for such streets shall be acquired by either the
34 city or town or by the state as shall be mutually agreed upon. Costs
35 of acquiring rights of way may be at the sole expense of the state or
36 at the expense of the city or town or at the expense of the state and
37 the city or town as may be mutually agreed upon. Title to all such
38 rights of way so acquired shall vest in the city or town: PROVIDED,
39 That no vacation, sale, rental, or any other nontransportation use of

1 any unused portion of any such street may be made by the city or town
2 without the prior written approval of the department; and all revenue
3 derived from sale, vacation, rental, or any nontransportation use of
4 such rights of way shall be shared by the city or town and the state in
5 the same proportion as the purchase costs were shared;

6 (16) If any city or town fails to perform any of its obligations as
7 set forth in this section or in any cooperative agreement entered into
8 with the department for the maintenance of a city or town street
9 forming part of the route of a state highway, the department may notify
10 the mayor of the city or town to perform the necessary maintenance
11 within thirty days. If the city or town within the thirty days fails
12 to perform the maintenance or fails to authorize the department to
13 perform the maintenance as provided by RCW 47.24.050, the department
14 may perform the maintenance, the cost of which is to be deducted from
15 any sums in the motor vehicle fund credited or to be credited to the
16 city or town.

17 **Sec. 27.** RCW 47.56.288 and 1965 ex.s. c 170 s 55 are each amended
18 to read as follows:

19 Any funds required to pay such deficits shall be from the proceeds
20 of state excise taxes on motor vehicle fuels and shall be taken from
21 that portion of the motor vehicle fund which is or may be appropriated
22 for state ((highway)) transportation purposes, and shall never
23 constitute a charge against any allocations of such funds to counties,
24 cities and towns unless and until the amount of the motor vehicle fund
25 arising from the excise taxes on motor vehicle fuels and available for
26 state ((highway)) transportation purposes proves insufficient to meet
27 such deficits.

28 The proceeds of such excise taxes are hereby pledged to the payment
29 of any such deficits in the costs of maintenance and operation of the
30 bridge and in the payment of principal and interest which may arise on
31 account of the bonds issued under the provisions of RCW 47.56.282, and
32 the legislature hereby agrees to continue to impose the same excise
33 taxes on motor vehicle fuels in amounts sufficient to pay, when due,
34 such deficits.

35 **Sec. 28.** RCW 47.56.590 and 1961 c 13 s 47.56.590 are each amended
36 to read as follows:

1 Upon the completion of such studies and surveys, the highway
2 commission and the toll bridge authority, in cooperation with the joint
3 fact-finding committee on highways, streets and bridges, shall prepare
4 a plan for financing the project. The plan shall include the cost of
5 the entire project; the portion of such total cost which can be
6 financed by the issuance of toll bridge authority revenue bonds; the
7 portion of such total cost and the amount of guarantee funds which
8 should be contributed or advanced by any political subdivisions to be
9 economically benefited by construction of the project; and the portion
10 of such total cost and the amount of guarantee funds which should be
11 contributed from that portion of the motor vehicle fund available to
12 the department of highways for state ((highway)) transportation
13 purposes. When completed, the financing plan shall be adopted by
14 resolution of the commission and the authority.

15 **Sec. 29.** RCW 47.56.661 and 1961 c 209 s 8 are each amended to read
16 as follows:

17 In the event Pacific county makes the contribution authorized in
18 subsection (1) of RCW 47.56.658, such contribution shall be placed in
19 the motor vehicle fund and shall be available for state ((highway))
20 transportation purposes.

21 **Sec. 30.** RCW 47.56.702 and 1984 c 7 s 282 are each amended to read
22 as follows:

23 The department may pledge the proceeds of all excise taxes imposed
24 on motor vehicle fuels now directed by law to be deposited in the motor
25 vehicle fund and which are available for appropriation to the
26 department for state ((highway)) transportation purposes in the sum of
27 one hundred thousand dollars per year for the purpose of guaranteeing
28 the payment of principal and interest on bonds issued by the authority
29 as authorized in RCW 47.56.701 or for sinking fund requirements or
30 reserves established by the authority with respect thereto or for
31 guaranteeing the payment of principal and interest on any subsequent
32 refunding bond issues. To the extent of any such pledge the department
33 shall use such moneys to meet such obligations as they arise but only
34 to the extent that net revenues of the project are insufficient
35 therefor.

1 **Sec. 31.** RCW 47.56.704 and 1984 c 7 s 284 are each amended to read
2 as follows:

3 Any money from the motor vehicle fund used by the department for
4 payment of expenses of location, maintenance, repair, and operation of
5 the bridge and approaches and highway approach, and principal or
6 interest on any bonds issued pursuant to RCW 47.56.701 or any
7 subsequent refunding bond issue shall be repaid to the motor vehicle
8 fund to be used for state (~~highway~~) transportation purposes from
9 revenues of the project, and tolls shall be continued for any
10 additional length of time necessary for this purpose.

11 **Sec. 32.** RCW 47.60.505 and 1986 c 66 s 9 are each amended to read
12 as follows:

13 There is hereby created in the motor vehicle fund the Puget Sound
14 capital construction account. All moneys hereafter deposited in said
15 account shall be used by the department of transportation for:

16 (1) Reimbursing the motor vehicle fund for all transfers therefrom
17 made in accordance with RCW 47.60.620; and

18 (2) Improving the Washington state ferry system including, but not
19 limited to, vessel acquisition, vessel construction, major and minor
20 vessel improvements, terminal construction and improvements, and
21 reconstruction or replacement of, and improvements to, the Hood Canal
22 bridge, reimbursement of the motor vehicle fund for any state funds,
23 other than insurance proceeds, expended therefrom for reconstruction or
24 replacement of and improvements to the Hood Canal bridge, pursuant to
25 proper appropriations: PROVIDED, That any funds accruing to the Puget
26 Sound capital construction account after June 30, 1979, which are not
27 required to reimburse the motor vehicle fund pursuant to RCW 47.60.620
28 as such obligations come due nor are required for capital improvements
29 of the Washington state ferries pursuant to appropriations therefor
30 shall from time to time as shall be determined by the department of
31 transportation be transferred by the state treasurer to the Puget Sound
32 ferry operations account in the motor vehicle fund.

33 (3) The department may pledge any moneys in the Puget Sound capital
34 construction account or to be deposited in that account to guarantee
35 the payment of principal or interest on bonds issued to refund the
36 outstanding 1955 Washington state ferry system refunding bonds and the
37 1957 ferry and Hood Canal bridge revenue bonds.

1 The department may further pledge moneys in the Puget Sound capital
2 construction account to meet any sinking fund requirements or reserves
3 established by the department with respect to any bond issues provided
4 for in this section.

5 To the extent of any pledge authorized in this section, the
6 department shall use the first moneys available in the Puget Sound
7 capital construction account to meet such obligations as they arise,
8 and shall maintain a balance of not less than one million dollars in
9 the account for this purpose.

10 (4) The treasurer shall never transfer any moneys from the Puget
11 Sound capital construction account for use by the department for state
12 ((highway)) transportation purposes so long as there is due and unpaid
13 any obligations for payment of principal, interest, sinking funds, or
14 reserves as required by any pledge of the Puget Sound capital
15 construction account. Whenever the department has pledged any moneys
16 in the account for the purposes authorized in this section, the state
17 agrees to continue to deposit in the Puget Sound capital construction
18 account the motor vehicle fuel taxes and special fuel taxes as provided
19 in RCW 82.36.020 and 82.38.290 and further agrees that, so long as
20 there exists any outstanding obligations pursuant to such pledge, to
21 continue to impose such taxes.

22 (5) Funds in the Puget Sound capital construction account of the
23 motor vehicle fund that are not required by the department for payment
24 of principal or interest on bond issues or for any of the other
25 purposes authorized in this chapter may be invested by the department
26 in bonds and obligations of the nature eligible for the investment of
27 current state funds as provided in RCW 43.84.080.

28 **Sec. 33.** RCW 47.60.590 and 1977 ex.s. c 360 s 4 are each amended
29 to read as follows:

30 Any funds required to repay the bonds authorized by RCW 47.60.560
31 or the interest thereon when due shall be taken from that portion of
32 the motor vehicle fund which results from the imposition of excise
33 taxes on motor vehicle and special fuels and which is distributed to
34 the state for expenditure pursuant to RCW 46.68.130 and shall never
35 constitute a charge against any allocations of such funds to counties,
36 cities, and towns unless and until the amount of the motor vehicle fund
37 arising from the excise taxes on motor vehicle and special fuels and
38 available for state ((highway)) transportation purposes proves

1 insufficient to meet the requirements for bond retirement or interest
2 on any such bonds.

3 **Sec. 34.** RCW 47.60.806 and 1995 c 274 s 19 are each amended to
4 read as follows:

5 Bonds issued under the authority of RCW 47.60.800 through 47.60.808
6 shall distinctly state that they are a general obligation of the state
7 of Washington, shall pledge the full faith and credit of the state to
8 the payment of the principal thereof and the interest thereon, and
9 shall contain an unconditional promise to pay such principal and
10 interest as the same shall become due. The principal and interest
11 shall be first payable in the manner provided in RCW 47.60.800 through
12 47.60.808 from the proceeds of the state excise taxes on motor vehicle
13 and special fuels imposed by chapters 82.36 and 82.38 RCW and
14 distributed to the state pursuant to RCW 46.68.130 and shall never
15 constitute a charge against any allocations of such funds to counties,
16 cities, and towns unless and until the amount of the motor vehicle fund
17 arising from the excise taxes on motor vehicle and special fuels and
18 available for state ((highway)) transportation purposes proves
19 insufficient to meet the requirements for bond retirement or interest
20 on any such bonds. Proceeds of such excise taxes are hereby pledged to
21 the payment of any bonds and the interest thereon issued under the
22 authority of RCW 47.60.800 through 47.60.808, and the legislature
23 agrees to continue to impose these excise taxes on motor vehicle and
24 special fuels in amounts sufficient to pay, when due, the principal and
25 interest on all bonds issued under the authority of RCW 47.60.800
26 through 47.60.808.

27 **Sec. 35.** RCW 47.61.090 and 1984 c 7 s 339 are each amended to read
28 as follows:

29 Funds required to repay the bonds, or the interest thereon when
30 due, shall be taken from that portion of the motor vehicle fund which
31 results from the imposition of excise taxes on motor vehicle fuels and
32 which is, or may be appropriated to the department for state
33 ((highway)) transportation purposes, and shall never constitute a
34 charge against any allocations of the funds to counties, cities, and
35 towns unless and until the amount of the motor vehicle fund arising
36 from the excise taxes on motor vehicle fuels and available for state

1 ((highway)) transportation purposes proves insufficient to meet the
2 requirements for bond retirement or interest on the bonds.

3 **Sec. 36.** RCW 82.80.070 and 1991 c 141 s 4 are each amended to read
4 as follows:

5 (1) The proceeds collected pursuant to the exercise of the local
6 option authority of RCW 82.80.010, 82.80.020, 82.80.030, and 82.80.050
7 (hereafter called "local option transportation revenues") shall be used
8 for transportation purposes only, including but not limited to the
9 following: The operation and preservation of roads, streets, and other
10 transportation improvements; new construction, reconstruction, and
11 expansion of city streets, county roads, and state highways and other
12 transportation improvements; development and implementation of public
13 transportation and high-capacity transit improvements and programs; and
14 planning, design, and acquisition of right of way and sites for such
15 transportation purposes. The proceeds collected from excise taxes on
16 the sale, distribution, or use of motor vehicle fuel and special fuel
17 under RCW 82.80.010 shall be used exclusively for "((highway))
18 transportation purposes" as that term is construed in Article II,
19 section 40 of the state Constitution.

20 (2) The local option transportation revenues shall be expended for
21 transportation uses consistent with the adopted transportation and land
22 use plans of the jurisdiction expending the funds and consistent with
23 any applicable and adopted regional transportation plan for
24 metropolitan planning areas.

25 (3) Each local government with a population greater than eight
26 thousand that levies or expends local option transportation funds, is
27 also required to develop and adopt a specific transportation program
28 that contains the following elements:

29 (a) The program shall identify the geographic boundaries of the
30 entire area or areas within which local option transportation revenues
31 will be levied and expended.

32 (b) The program shall be based on an adopted transportation plan
33 for the geographic areas covered and shall identify the proposed
34 operation and construction of transportation improvements and services
35 in the designated plan area intended to be funded in whole or in part
36 by local option transportation revenues and shall identify the annual
37 costs applicable to the program.

1 (c) The program shall indicate how the local transportation plan is
2 coordinated with applicable transportation plans for the region and for
3 adjacent jurisdictions.

4 (d) The program shall include at least a six-year funding plan,
5 updated annually, identifying the specific public and private sources
6 and amounts of revenue necessary to fund the program. The program
7 shall include a proposed schedule for construction of projects and
8 expenditure of revenues. The funding plan shall consider the
9 additional local tax revenue estimated to be generated by new
10 development within the plan area if all or a portion of the additional
11 revenue is proposed to be earmarked as future appropriations for
12 transportation improvements in the program.

13 (4) Local governments with a population greater than eight thousand
14 exercising the authority for local option transportation funds shall
15 periodically review and update their transportation program to ensure
16 that it is consistent with applicable local and regional transportation
17 and land use plans and within the means of estimated public and private
18 revenue available.

19 (5) In the case of expenditure for new or expanded transportation
20 facilities, improvements, and services, priorities in the use of local
21 option transportation revenues shall be identified in the
22 transportation program and expenditures shall be made based upon the
23 following criteria, which are stated in descending order of weight to
24 be attributed:

25 (a) First, the project serves a multijurisdictional function;

26 (b) Second, it is necessitated by existing or reasonably
27 foreseeable congestion;

28 (c) Third, it has the greatest person-carrying capacity;

29 (d) Fourth, it is partially funded by other government funds, such
30 as from the state transportation improvement board, or by private
31 sector contributions, such as those from the local transportation act,
32 chapter 39.92 RCW; and

33 (e) Fifth, it meets such other criteria as the local government
34 determines is appropriate.

35 (6) It is the intent of the legislature that as a condition of
36 levying, receiving, and expending local option transportation revenues,
37 no local government agency use the revenues to replace, divert, or loan
38 any revenues currently being used for transportation purposes to
39 nontransportation purposes. The association of Washington cities and

1 the Washington state association of counties, in consultation with the
2 legislative transportation committee, shall study the issue of
3 nondiversion and make recommendations to the legislative transportation
4 committee for language implementing the intent of this section by
5 December 1, 1990.

6 (7) Local governments are encouraged to enter into interlocal
7 agreements to jointly develop and adopt with other local governments
8 the transportation programs required by this section for the purpose of
9 accomplishing regional transportation planning and development.

10 (8) Local governments may use all or a part of the local option
11 transportation revenues for the amortization of local government
12 general obligation and revenue bonds issued for transportation purposes
13 consistent with the requirements of this section.

14 NEW SECTION. **Sec. 37.** If any provision of this act or its
15 application to any person or circumstance is held invalid, the
16 remainder of the act or the application of the provision to other
17 persons or circumstances is not affected.

18 NEW SECTION. **Sec. 38.** This act takes effect if the proposed
19 amendment to Article II, section 40 of the state Constitution providing
20 for motor vehicle funds to be used for transportation purposes is
21 approved and ratified by the voters at the next general election and
22 certified by the secretary of state. If the proposed amendment is not
23 approved, ratified, and certified, this act is void in its entirety.

--- END ---