

ESHB 2871 - S COMM AMD  
By Committee on Transportation

ADOPTED 03/01/2006

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that effective  
4 transportation planning in urbanized regions requires stronger and  
5 clearer lines of responsibility and accountability.

6 The legislature further finds that integrated, multimodal  
7 transportation planning will help reduce transportation congestion and  
8 improve safety, and that streamlined decision making will help reduce  
9 political congestion.

10 The legislature further finds that coordinated planning of,  
11 investment in, and operation of transportation systems will have  
12 significant benefit to the citizens of Washington, and that it is the  
13 will of the people to fund regional transportation solutions, including  
14 improving transit service in urbanized areas and among existing,  
15 fragmented transit agencies in the region. Although equity  
16 considerations must be respected, transportation problems are broader  
17 and deeper than the sum of geographic subareas.

18 It is therefore the policy of the state of Washington to create a  
19 regional transportation commission to develop a proposal for a regional  
20 transportation governing entity more directly accountable to the  
21 public, and to develop a comprehensive regional transportation finance  
22 plan for the citizens of the Puget Sound metropolitan region.

23 NEW SECTION. **Sec. 2.** (1) The regional transportation commission  
24 is established.

25 (2) The commission shall consist of seven voting commissioners.  
26 The commissioners shall be appointed by the governor by June 1, 2006.  
27 In addition, the secretary of transportation or the secretary's  
28 designee shall serve as a nonvoting member. Appointments of  
29 commissioners shall reflect geographical balance and diversity of

1 populations within the central Puget Sound region and, to the extent  
2 possible, include commissioners with special expertise in relevant  
3 fields such as funding, planning, and construction of transportation  
4 improvement projects, structural reorganizations, and operation of  
5 transportation systems. Appointees must be citizen members who do not  
6 hold public office. Vacancies for any appointed commission seat shall  
7 be filled in the same manner as the original appointments were made.

8 (3) The term of office for a commissioner begins seven days  
9 following appointment by the governor. A commissioner must be a  
10 qualified elector under the state Constitution when his or her term of  
11 office begins.

12 (4) The commission chair presides over the commission and sets the  
13 commission agenda subject to general rules established by the  
14 commission. Except as provided otherwise in this act, the commission  
15 chair appoints all members of the committees, councils, and boards  
16 created by the rules of the commission. The commission chair shall be  
17 designated by the governor from among the commissioners appointed under  
18 subsection (2) of this section.

19 (5) Each member of the commission is eligible to receive  
20 compensation in an amount not to exceed two hundred fifty dollars for  
21 each day during which the member attends an official meeting of the  
22 group or performs statutorily prescribed duties approved by the chair.  
23 A commissioner may be compensated under this subsection only if the  
24 compensation is necessarily incurred in the course of authorized  
25 business, consistent with the responsibilities of the commission  
26 established by this act.

27 (6) The commission may be entitled to state funding, as  
28 appropriated by the legislature, to pay for expenses incurred by the  
29 commission and the department of transportation and through contracts  
30 in carrying out the duties authorized in this act.

31 (7) The department of transportation shall provide staff support to  
32 the commission and, upon request of the commission, contract with other  
33 parties for staff support to the commission.

34 NEW SECTION. **Sec. 3.** The regional transportation commission has  
35 the following duties:

36 (1) Evaluate transportation governance in the central Puget Sound  
37 area within the jurisdiction of the Puget Sound regional council. This

1 evaluation must include an assessment of the current roles of regional  
2 transportation agencies, including regional transportation and  
3 metropolitan planning organizations, the regional transit authority,  
4 regional transportation investment districts, county and municipal  
5 agencies operating transit services, and cities, counties, and other  
6 public agencies providing transportation services or facilities. The  
7 commission shall assess and develop recommendations for what steps  
8 should be taken to:

9 (a) Consolidate governance among agencies, including changes in  
10 institutional powers, structures, and relationships and governance  
11 needed to improve accountability for transportation decisions, while  
12 enhancing the regional focus for transportation decisions and  
13 maintaining equity among citizens in the region;

14 (b) Improve coordination in the planning of transportation  
15 investments and services;

16 (c) Improve investment strategies;

17 (d) Coordinate transportation planning and investments with adopted  
18 land use policies within the region;

19 (e) Enhance efficiency and coordination in the delivery of services  
20 provided;

21 (f) Adjust boundaries for agencies or functions within the region  
22 to address existing and future transportation and land use issues; and

23 (g) Improve coordination between regional investments and federal  
24 funds, and state funding, including those administered by the  
25 transportation improvement board, the county road administration board,  
26 and the freight mobility strategic investment board;

27 (2) Develop options for a regional transportation governance  
28 proposal that include, at a minimum, an option providing for the  
29 formation of a regional transportation governing entity, of which all  
30 or a majority of its members must be directly elected, the revenue  
31 sources that will be available to such entity, and the scope of  
32 planning authority of such entity;

33 (3) Publicize the commission's proposal referenced in subsection  
34 (2) of this section by November 15, 2006, and provide at least fifteen  
35 days for public comment;

36 (4) Adopt the proposal referenced in subsection (2) of this section  
37 and submit it to the legislature by January 1, 2007, after which time  
38 the commission shall dissolve; and

1 (5) Conduct public meetings to assure active public participation  
2 in the development of the recommendations, proposal, and finance plan  
3 under this section.

4 **Sec. 4.** RCW 36.120.020 and 2002 c 56 s 102 are each amended to  
5 read as follows:

6 The definitions in this section apply throughout this chapter  
7 unless the context clearly requires otherwise.

8 (1) "Board" means the governing body of a regional transportation  
9 investment district.

10 (2) "Department" means the Washington state department of  
11 transportation.

12 (3) "Highway of statewide significance" means an existing or  
13 proposed state route or federal interstate designated as a highway of  
14 statewide significance by the transportation commission, its successor  
15 entity, or the legislature.

16 (4) "Lead agency" means a public agency that by law can plan,  
17 design, and build a transportation project and has been so designated  
18 by the district.

19 (5) "Regional transportation investment district" or "district"  
20 means a municipal corporation (~~whose boundaries are coextensive with~~  
21 ~~two or more contiguous counties and~~) that has been created by county  
22 legislative authorities and a vote of the people under this chapter to  
23 implement a regional transportation investment plan.

24 (6) "Regional transportation investment district planning  
25 committee" or "planning committee" means the advisory committee created  
26 under RCW 36.120.030 to create and propose to county legislative  
27 authorities a regional transportation investment plan to develop,  
28 finance, and construct transportation projects.

29 (7) "Regional transportation investment plan" or "plan" means a  
30 plan to develop, construct, and finance a transportation project or  
31 projects.

32 (8) "Transportation project" means:

33 (a) A capital improvement or improvements to a highway that has  
34 been designated, in whole or in part, as a highway of statewide  
35 significance, including an extension, that:

36 (i) Adds a lane or new lanes to an existing state or federal  
37 highway; or

1 (ii) Repairs or replaces a lane or lanes damaged by an event  
2 declared an emergency by the governor before January 1, 2002.

3 (b) A capital improvement or improvements to all or a portion of a  
4 highway of statewide significance, including an extension, and may  
5 include the following associated multimodal capital improvements:

6 (i) Approaches to highways of statewide significance;

7 (ii) High-occupancy vehicle lanes;

8 (iii) Flyover ramps;

9 (iv) Park and ride lots;

10 (v) Bus pullouts;

11 (vi) Vans for vanpools;

12 (vii) Buses; and

13 (viii) Signalization, ramp metering, and other transportation  
14 system management improvements.

15 (c) A capital improvement or improvements to all or a portion of a  
16 city street, county road, or existing highway or the creation of a new  
17 highway that intersects with a highway of statewide significance, if  
18 all of the following conditions are met:

19 (i) The project is included in a plan that makes highway  
20 improvement projects that add capacity to a highway or highways of  
21 statewide significance;

22 (ii) The secretary of transportation determines that the project  
23 would better relieve traffic congestion than investing that same money  
24 in adding capacity to a highway of statewide significance;

25 (iii) Matching money equal to (~~one-third~~) fifteen percent of the  
26 total cost of the project is provided by local entities, including but  
27 not limited to a metropolitan planning organization, county, city,  
28 port, or private entity in which a county participating in a plan is  
29 located. Local entities may use federal grants to meet this matching  
30 requirement;

31 (iv) In no case may the cumulative regional transportation  
32 investment district contribution to all projects constructed under this  
33 subsection (8)(c) exceed ten percent of the revenues generated by the  
34 district;

35 (v) In no case may the cumulative regional transportation  
36 investment district contribution to all projects constructed under this  
37 subsection (8)(c) exceed one billion dollars; and

1 (vi) The specific projects are included within the plan and  
2 submitted as part of the plan to a vote of the people.

3 (d) Operations, preservation, and maintenance are excluded from  
4 this definition and may not be included in a regional transportation  
5 investment plan. However, operations, preservation, and maintenance  
6 for the following purposes are expressly authorized and may be included  
7 in a regional transportation investment plan:

8 (i) Tolled facilities where toll revenues have been pledged for the  
9 payment of contracts. The authority under this subsection includes  
10 operational expenses for toll enforcement;

11 (ii) Operational expenses for traffic mitigation provided solely  
12 for transportation project construction mitigation directly related to  
13 specific projects as outlined in the plan; and

14 (iii) Passenger-only ferry service supported by the taxes  
15 authorized under RCW 82.14.430.

16 (9) "Weighted vote" means a vote that reflects the population each  
17 board or planning committee member represents relative to the  
18 population represented by the total membership of the board or planning  
19 committee. Population will be determined using the federal 2000 census  
20 or subsequent federal census data.

21 **Sec. 5.** RCW 36.120.030 and 2002 c 56 s 103 are each amended to  
22 read as follows:

23 Regional transportation investment district planning committees are  
24 advisory entities that are created, convened, and empowered as follows:

25 (1) A county with a population over one million five hundred  
26 thousand persons and any adjoining counties with a population over five  
27 hundred thousand persons may create a regional transportation  
28 investment district and shall convene a regional transportation  
29 investment district planning committee.

30 (a) The boundaries of the district should include at least the  
31 contiguous areas within the regional transit authority serving the  
32 counties. The boundaries must be proposed by the planning committee  
33 and approved by the county legislative authorities before or in  
34 conjunction with approval of a regional transportation investment plan.  
35 Boundaries must follow complete parcels of land. However, any portion  
36 of a county that is located on a peninsula shall be exempt from a  
37 regional transportation investment district in which more than one

1 county is included if (i) the portion of the county located on the  
2 peninsula is connected to the other portion of the county by a bridge  
3 improved under chapter 47.46 RCW, and (ii) the county has a national  
4 park and a population of more than five hundred thousand persons, but  
5 less than one million five hundred thousand persons.

6 (b) After voters within the district boundaries have approved a  
7 plan under RCW 36.120.070, elections to add areas to the district  
8 boundaries may be called by a resolution of the board, after  
9 consultation with the regional transportation planning organization and  
10 affected transit agencies and with the concurrence of the legislative  
11 authority of the city or town if the area is incorporated or with the  
12 concurrence of the county legislative authority if the area is  
13 unincorporated. The election may include a single ballot measure  
14 providing annexation to the district, approval of the plan, and  
15 approval of revenue sources necessary to finance the plan. The  
16 electorate are the voters voting within the proposed area to be  
17 annexed. A simple majority of the persons voting on the single ballot  
18 measure is required for approval of the measure. This option for  
19 annexation applies to areas within the counties initially establishing  
20 a district and also to areas within a county having a population over  
21 two hundred thirty thousand persons and whose boundaries abut three  
22 counties eligible to form a district under this subsection.

23 (2) The members of the legislative authorities participating in  
24 planning under this chapter shall serve as the district planning  
25 committee. Members of the planning committee receive no compensation,  
26 but may be reimbursed for travel and incidental expenses as the  
27 planning committee deems appropriate.

28 The secretary of transportation, or the appropriate regional  
29 administrator of the department, as named by the secretary, shall serve  
30 on the committee as a nonvoting member.

31 (3) A regional transportation investment district planning  
32 committee may be entitled to state funding, as appropriated by the  
33 legislature, for start-up funding to pay for salaries, expenses,  
34 overhead, supplies, and similar expenses ordinarily and necessarily  
35 incurred in selecting transportation projects and funding for those  
36 transportation projects under this chapter. Upon creation of a  
37 regional transportation investment district, the district shall within

1 one year reimburse the state for any sums advanced for these start-up  
2 costs from the state.

3 (4) The planning committee shall conduct its affairs and formulate  
4 a regional transportation investment plan as provided under RCW  
5 36.120.040, except that it shall elect an executive board of seven  
6 members to discharge the duties of the planning committee and formulate  
7 a regional transportation investment plan, subject to the approval of  
8 the full committee.

9 (5) At its first meeting, a regional transportation investment  
10 district planning committee may elect officers and provide for the  
11 adoption of rules and other operating procedures.

12 (6) Governance of and decisions by a regional transportation  
13 investment district planning committee must be by a sixty-percent  
14 weighted majority vote of the total membership.

15 (7) The planning committee may dissolve itself at any time by a  
16 two-thirds weighted majority vote of the total membership of the  
17 planning committee.

18 (8) If a multicounty regional transportation investment district is  
19 not formed by December 1, 2007, through approval by the voters voting  
20 on a regional transportation investment plan, then the authority under  
21 this chapter to create a district, and to fund and construct  
22 transportation projects, shall be available to each of the eligible  
23 counties described in subsection (1) of this section on an individual  
24 and independent basis.

25 **Sec. 6.** RCW 36.120.040 and 2003 c 194 s 1 are each amended to read  
26 as follows:

27 (1) A regional transportation investment district planning  
28 committee shall adopt a regional transportation investment plan  
29 providing for the development, construction, and financing of  
30 transportation projects. The planning committee may consider the  
31 following factors in formulating its plan:

- 32 (a) Land use planning criteria;
- 33 (b) The input of cities located within a participating county; and
- 34 (c) The input of regional transportation planning organizations  
35 ~~((in))~~ of which a participating county is ~~((located))~~ a member. A  
36 regional transportation planning organization in which a participating



1 county is located shall review its adopted regional transportation plan  
2 and submit, for the planning committee's consideration, its list of  
3 transportation improvement priorities.

4 (2) The planning committee may coordinate its activities with the  
5 department, which shall provide services, data, and personnel to assist  
6 in this planning as desired by the planning committee. In addition,  
7 the planning committee may coordinate its activities with affected  
8 cities, towns, and other local governments, including any regional  
9 transit authority existing within the participating counties'  
10 boundaries, that engage in transportation planning.

11 (3) The planning committee shall:

12 (a) Conduct public meetings that are needed to assure active public  
13 participation in the development of the plan;

14 (b) Adopt a plan proposing the:

15 (i) Creation of a regional transportation investment district,  
16 including district boundaries; and

17 (ii) Construction of transportation projects to improve mobility  
18 within each county and within the region. Operations, maintenance, and  
19 preservation of facilities or systems may not be part of the plan,  
20 except for the limited purposes provided under RCW 36.120.020(8)(d);  
21 and

22 (c) Recommend sources of revenue authorized by RCW 36.120.050 and  
23 a financing plan to fund selected transportation projects. The overall  
24 plan of the district must leverage the district's financial  
25 contributions so that the federal, state, local, and other revenue  
26 sources continue to fund major congestion relief and transportation  
27 capacity improvement projects in each county and the district. A  
28 combination of local, state, and federal revenues may be necessary to  
29 pay for transportation projects, and the planning committee shall  
30 consider all of these revenue sources in developing a plan.

31 (4) The plan must use tax revenues and related debt for projects  
32 that generally benefit a participating county in proportion to the  
33 general level of tax revenues generated within that participating  
34 county. This equity principle applies to all modifications to the  
35 plan, appropriation of contingency funds not identified within the  
36 project estimate, and future phases of the plan. During implementation  
37 of the plan, the board shall retain the flexibility to manage  
38 distribution of revenues, debt, and project schedules so that the

1 district may effectively implement the plan. Nothing in this section  
2 should be interpreted to prevent the district from pledging district-  
3 wide tax revenues for payment of any contract or debt entered into  
4 under RCW 36.120.130.

5 (5) Before adopting the plan, the planning committee, with  
6 assistance from the department, shall work with the lead agency to  
7 develop accurate cost forecasts for transportation projects. This  
8 project costing methodology must be integrated with revenue forecasts  
9 in developing the plan and must at a minimum include estimated project  
10 costs in constant dollars as well as year of expenditure dollars, the  
11 range of project costs reflected by the level of project design,  
12 project contingencies, identification of mitigation costs, the range of  
13 revenue forecasts, and project and plan cash flow and bond analysis.  
14 The plan submitted to the voters must provide cost estimates for each  
15 project, including reasonable contingency costs. Plans submitted to  
16 the voters must provide that the maximum amount possible of the funds  
17 raised will be used to fund projects in the plan, including  
18 environmental improvements and mitigation, and that administrative  
19 costs be minimized. If actual revenue exceeds actual plan costs, the  
20 excess revenues must be used to retire any outstanding debt associated  
21 with the plan.

22 (6) If a county opts not to adopt the plan or participate in the  
23 regional transportation investment district, but two or more contiguous  
24 counties do choose to continue to participate, then the planning  
25 committee may, within ninety days, redefine the regional transportation  
26 investment plan and the ballot measure to be submitted to the people to  
27 reflect elimination of the county, and submit the redefined plan to the  
28 legislative authorities of the remaining counties for their decision as  
29 to whether to continue to adopt the redefined plan and participate.  
30 This action must be completed within sixty days after receipt of the  
31 redefined plan.

32 (7) Once adopted by the planning committee, the plan must be  
33 forwarded to the participating county legislative authorities to  
34 initiate the election process under RCW 36.120.070. The planning  
35 committee shall at the same time provide notice to each city and town  
36 within the district, the governor, the chairs of the transportation  
37 committees of the legislature, the secretary of transportation, and

1 each legislator whose legislative district is partially or wholly  
2 within the boundaries of the district.

3 (8) If the ballot measure is not approved, the planning committee  
4 may redefine the selected transportation projects, financing plan, and  
5 the ballot measure. The county legislative authorities may approve the  
6 new plan and ballot measure, and may then submit the revised  
7 proposition to the voters at the next election or a special election.  
8 If no ballot measure is approved by the voters by the third vote, the  
9 planning committee is dissolved.

10 **Sec. 7.** RCW 36.120.070 and 2002 c 56 s 107 are each amended to  
11 read as follows:

12 (1) Two or more contiguous county legislative authorities, upon  
13 receipt of the regional transportation investment plan under RCW  
14 36.120.040, may ~~((certify the plan to the ballot, including~~  
15 ~~identification of the tax options)) submit to the voters of the~~  
16 proposed district a single ballot measure that approves formation of  
17 the district, approves the regional transportation investment plan, and  
18 approves the revenue sources necessary to ~~((fund)) finance~~ the plan.  
19 ~~((County legislative authorities)) The planning committee may draft ((a~~  
20 ballot title,)) the ballot measure on behalf of the county legislative  
21 authorities, and the county legislative authorities may give notice as  
22 required by law for ballot measures, and perform other duties as  
23 required to ~~((put the plan before)) submit the measure to the voters of~~  
24 the proposed district for their approval or rejection ~~((as a single~~  
25 ballot measure that both approves formation of the district and  
26 approves the plan)). Counties may negotiate interlocal agreements  
27 necessary to implement the plan. The electorate will be the voters  
28 voting within the boundaries of the ~~((participating counties)) proposed~~  
29 district. A simple majority of the total persons voting on the single  
30 ballot measure ~~((to approve the plan, establish the district, and~~  
31 approve the taxes and fees)) is required for approval.

32 (2) In conjunction with RCW 81.112.030(10), prior to December 1,  
33 2007, the plan must be submitted to the voters on the same ballot along  
34 with a proposition to support additional implementation phases of a  
35 regional transit authority's system and financing plan.

1           **Sec. 8.** RCW 29A.36.071 and 2004 c 271 s 169 are each amended to  
2 read as follows:

3           (1) Except as provided to the contrary in RCW 82.14.036, 82.46.021,  
4 or 82.80.090, the ballot title of any referendum filed on an enactment  
5 or portion of an enactment of a local government and any other question  
6 submitted to the voters of a local government consists of three  
7 elements: (a) An identification of the enacting legislative body and  
8 a statement of the subject matter; (b) a concise description of the  
9 measure; and (c) a question. The ballot title must conform with the  
10 requirements and be displayed substantially as provided under RCW  
11 29A.72.050, except that the concise description must not exceed  
12 seventy-five words; however, a concise description submitted on behalf  
13 of a proposed or existing regional transportation investment district  
14 may exceed seventy- five words. If the local governmental unit is a  
15 city or a town, the concise statement shall be prepared by the city or  
16 town attorney. If the local governmental unit is a county, the concise  
17 statement shall be prepared by the prosecuting attorney of the county.  
18 If the unit is a unit of local government other than a city, town, or  
19 county, the concise statement shall be prepared by the prosecuting  
20 attorney of the county within which the majority area of the unit is  
21 located.

22           (2) A referendum measure on the enactment of a unit of local  
23 government shall be advertised in the manner provided for nominees for  
24 elective office.

25           (3) Subsection (1) of this section does not apply if another  
26 provision of law specifies the ballot title for a specific type of  
27 ballot question or proposition.

28           **Sec. 9.** RCW 36.120.080 and 2002 c 56 s 108 are each amended to  
29 read as follows:

30           If the voters approve the plan, including creation of a regional  
31 transportation investment district and imposition of taxes and fees,  
32 the district will be declared formed. The county election officials of  
33 participating counties shall, within fifteen days of the final  
34 certification of the election results, publish a notice in a newspaper  
35 or newspapers of general circulation in the district declaring the  
36 district formed, and mail copies of the notice to the governor, the  
37 secretary of transportation, the executive director of the regional

1 transit authority in which any part of the district is located, and the  
2 executive director of the regional transportation planning organization  
3 in which any part of the district is located. A party challenging the  
4 procedure or the formation of a voter-approved district must file the  
5 challenge in writing by serving the prosecuting attorney of the  
6 participating counties and the attorney general within thirty days  
7 after the final certification of the election. Failure to challenge  
8 within that time forever bars further challenge of the district's valid  
9 formation.

10 **Sec. 10.** RCW 36.120.110 and 2002 c 56 s 111 are each amended to  
11 read as follows:

12 (1) The governing board of the district is responsible for the  
13 execution of the voter-approved plan. The board shall:

14 (a) Impose taxes and fees authorized by district voters;

15 (b) Enter into agreements with state, local, and regional agencies  
16 and departments as necessary to accomplish district purposes and  
17 protect the district's investment in transportation projects;

18 (c) Accept gifts, grants, or other contributions of funds that will  
19 support the purposes and programs of the district;

20 (d) Monitor and audit the progress and execution of transportation  
21 projects to protect the investment of the public and annually make  
22 public its findings;

23 (e) Pay for services and enter into leases and contracts, including  
24 professional service contracts;

25 (f) Hire no more than ten employees, including a director or  
26 executive officer, a treasurer or financial officer, a project manager  
27 or engineer, a project permit coordinator, and clerical staff; and

28 (g) Coordinate its activities with affected cities, towns, and  
29 other local governments, including any regional transit authority  
30 existing either partially or entirely within the district area, that  
31 engage in transportation planning; and

32 (h) Exercise other powers and duties as may be reasonable to carry  
33 out the purposes of the district.

34 (2) It is the intent of the legislature that existing staff  
35 resources of lead agencies be used in implementing this chapter. A  
36 district may coordinate its activities with the department, which shall  
37 provide services, data, and personnel to assist as desired by the

1 regional transportation investment district. Lead agencies for  
2 transportation projects that are not state facilities shall also  
3 provide staff support for the board.

4 (3) A district may not acquire, hold, or dispose of real property.

5 (4) Except for the limited purposes provided under RCW  
6 36.120.020(8)(d), a district may not own, operate, or maintain an  
7 ongoing facility, road, or transportation system.

8 (5) A district may accept and expend or use gifts, grants, or  
9 donations.

10 (6) It is the intent of the legislature that administrative and  
11 overhead costs of a regional transportation investment district be  
12 minimized. For transportation projects costing up to fifty million  
13 dollars, administrative and overhead costs may not exceed three percent  
14 of the total construction and design project costs per year. For  
15 transportation projects costing more than fifty million dollars,  
16 administrative and overhead costs may not exceed three percent of the  
17 first fifty million dollars in costs, plus an additional one-tenth of  
18 one percent of each additional dollar above fifty million. These  
19 limitations apply only to the district, and do not limit the  
20 administration or expenditures of the department.

21 (7) A district may use the design-build procedure for  
22 transportation projects developed by it. As used in this section  
23 "design-build procedure" means a method of contracting under which the  
24 district contracts with another party for that party to both design and  
25 build the structures, facilities, and other items specified in the  
26 contract. The requirements and limitations of RCW 47.20.780 and  
27 47.20.785 do not apply to the transportation projects under this  
28 chapter.

29 **Sec. 11.** RCW 81.112.030 and 1994 c 44 s 1 are each amended to read  
30 as follows:

31 Two or more contiguous counties each having a population of four  
32 hundred thousand persons or more may establish a regional transit  
33 authority to develop and operate a high capacity transportation system  
34 as defined in chapter 81.104 RCW.

35 The authority shall be formed in the following manner:

36 (1) The joint regional policy committee created pursuant to RCW  
37 81.104.040 shall adopt a system and financing plan, including the

1 definition of the service area. This action shall be completed by  
2 September 1, 1992, contingent upon satisfactory completion of the  
3 planning process defined in RCW 81.104.100. The final system plan  
4 shall be adopted no later than June 30, 1993. In addition to the  
5 requirements of RCW 81.104.100, the plan for the proposed system shall  
6 provide explicitly for a minimum portion of new tax revenues to be  
7 allocated to local transit agencies for interim express services. Upon  
8 adoption the joint regional policy committee shall immediately transmit  
9 the plan to the county legislative authorities within the adopted  
10 service area.

11 (2) The legislative authorities of the counties within the service  
12 area shall decide by resolution whether to participate in the  
13 authority. This action shall be completed within forty-five days  
14 following receipt of the adopted plan or by August 13, 1993, whichever  
15 comes first.

16 (3) Each county that chooses to participate in the authority shall  
17 appoint its board members as set forth in RCW 81.112.040 and shall  
18 submit its list of members to the secretary of the Washington state  
19 department of transportation. These actions must be completed within  
20 thirty days following each county's decision to participate in the  
21 authority.

22 (4) The secretary shall call the first meeting of the authority, to  
23 be held within thirty days following receipt of the appointments. At  
24 its first meeting, the authority shall elect officers and provide for  
25 the adoption of rules and other operating procedures.

26 (5) The authority is formally constituted at its first meeting and  
27 the board shall begin taking steps toward implementation of the system  
28 and financing plan adopted by the joint regional policy committee. If  
29 the joint regional policy committee fails to adopt a plan by June 30,  
30 1993, the authority shall proceed to do so based on the work completed  
31 by that date by the joint regional policy committee. Upon formation of  
32 the authority, the joint regional policy committee shall cease to  
33 exist. The authority may make minor modifications to the plan as  
34 deemed necessary and shall at a minimum review local transit agencies'  
35 plans to ensure feeder service/high capacity transit service  
36 integration, ensure fare integration, and ensure avoidance of parallel  
37 competitive services. The authority shall also conduct a minimum  
38 thirty-day public comment period.

1 (6) If the authority determines that major modifications to the  
2 plan are necessary before the initial ballot proposition is submitted  
3 to the voters, the authority may make those modifications with a  
4 favorable vote of two-thirds of the entire membership. Any such  
5 modification shall be subject to the review process set forth in RCW  
6 81.104.110. The modified plan shall be transmitted to the legislative  
7 authorities of the participating counties. The legislative authorities  
8 shall have forty-five days following receipt to act by motion or  
9 ordinance to confirm or rescind their continued participation in the  
10 authority.

11 (7) If any county opts to not participate in the authority, but two  
12 or more contiguous counties do choose to continue to participate, the  
13 authority's board shall be revised accordingly. The authority shall,  
14 within forty-five days, redefine the system and financing plan to  
15 reflect elimination of one or more counties, and submit the redefined  
16 plan to the legislative authorities of the remaining counties for their  
17 decision as to whether to continue to participate. This action shall  
18 be completed within forty-five days following receipt of the redefined  
19 plan.

20 (8) The authority shall place on the ballot within two years of the  
21 authority's formation, a single ballot proposition to authorize the  
22 imposition of taxes to support the implementation of an appropriate  
23 phase of the plan within its service area. In addition to the system  
24 plan requirements contained in RCW 81.104.100(2)(d), the system plan  
25 approved by the authority's board before the submittal of a proposition  
26 to the voters shall contain an equity element which:

27 (a) Identifies revenues anticipated to be generated by corridor and  
28 by county within the authority's boundaries;

29 (b) Identifies the phasing of construction and operation of high  
30 capacity system facilities, services, and benefits in each corridor.  
31 Phasing decisions should give priority to jurisdictions which have  
32 adopted transit-supportive land use plans; and

33 (c) Identifies the degree to which revenues generated within each  
34 county will benefit the residents of that county, and identifies when  
35 such benefits will accrue.

36 A simple majority of those voting within the boundaries of the  
37 authority is required for approval. If the vote is affirmative, the  
38 authority shall begin implementation of the projects identified in the



1 proposition. However, the authority may not submit any authorizing  
2 proposition for voter-approved taxes prior to July 1, 1993; nor may the  
3 authority issue bonds or form any local improvement district prior to  
4 July 1, 1993.

5 (9) If the vote on a proposition fails, the board may redefine the  
6 proposition, make changes to the authority boundaries, and make  
7 corresponding changes to the composition of the board. If the  
8 composition of the board is changed, the participating counties shall  
9 revise the membership of the board accordingly. The board may then  
10 submit the revised proposition or a different proposition to the  
11 voters. No single proposition may be submitted to the voters more than  
12 twice.

13 (10) The authority may place additional propositions on the ballot  
14 to impose taxes to support additional phases of plan implementation.  
15 In conjunction with RCW 36.120.070, prior to December 1, 2007, the  
16 proposition must be submitted to the voters on the same ballot along  
17 with a proposed regional transportation investment plan.

18 (11) If the authority is unable to achieve a positive vote on a  
19 proposition within two years from the date of the first election on a  
20 proposition, the board may, by resolution, reconstitute the authority  
21 as a single-county body. With a two-thirds vote of the entire  
22 membership of the voting members, the board may also dissolve the  
23 authority.

24 **Sec. 12.** RCW 36.120.050 and 2003 c 350 s 4 are each amended to  
25 read as follows:

26 (1) A regional transportation investment district planning  
27 committee may, as part of a regional transportation investment plan,  
28 recommend the imposition of some or all of the following revenue  
29 sources, which a regional transportation investment district may impose  
30 upon approval of the voters as provided in this chapter:

31 (a) A regional sales and use tax, as specified in RCW 82.14.430, of  
32 up to 0.5 percent of the selling price, in the case of a sales tax, or  
33 value of the article used, in the case of a use tax, upon the  
34 occurrence of any taxable event in the regional transportation  
35 investment district;

36 (b) A local option vehicle license fee, as specified under RCW  
37 82.80.100, of up to one hundred dollars per vehicle registered in the

1 district. As used in this subsection, "vehicle" means motor vehicle as  
2 defined in RCW 46.04.320. Certain classes of vehicles, as defined  
3 under chapter 46.04 RCW, may be exempted from this fee;

4 (c) A parking tax under RCW 82.80.030;

5 (d) A local motor vehicle excise tax under RCW 81.100.060 (~~and~~  
6 ~~chapter 81.104 RCW~~);

7 (e) A local option fuel tax under RCW 82.80.120;

8 (f) An employer excise tax under RCW 81.100.030; and

9 (g) Vehicle tolls on new or reconstructed (~~facilities~~) local or  
10 regional arterials or state or federal highways within the boundaries  
11 of the district, if the following conditions are met:

12 (i) Any such toll must be approved by the state transportation  
13 commission or its successor;

14 (ii) The regional transportation investment plan must identify the  
15 facilities that may be tolled; and

16 (iii) Unless otherwise specified by law, the department shall  
17 administer the collection of vehicle tolls on designated facilities,  
18 and the state transportation commission, or its successor, shall be the  
19 tolling authority.

20 (2) Taxes, fees, and tolls may not be imposed without an  
21 affirmative vote of the majority of the voters within the boundaries of  
22 the district voting on a ballot proposition as set forth in RCW  
23 36.120.070. Revenues from these taxes and fees may be used only to  
24 implement the plan as set forth in this chapter. A district may  
25 contract with the state department of revenue or other appropriate  
26 entities for administration and collection of any of the taxes or fees  
27 authorized in this section.

28 (3) Existing statewide motor vehicle fuel and special fuel taxes,  
29 at the distribution rates in effect on January 1, 2001, are not  
30 intended to be altered by this chapter.

31 **Sec. 13.** RCW 81.100.080 and 1990 c 43 s 19 are each amended to  
32 read as follows:

33 Funds collected under RCW 81.100.030 or 81.100.060 and any  
34 investment earnings accruing thereon shall be used by the county or the  
35 regional transportation investment district in a manner consistent with  
36 the regional transportation plan only for costs of collection, costs of  
37 preparing, adopting, and enforcing agreements under RCW 81.100.030(3),

1 for construction of high occupancy vehicle lanes and related  
2 facilities, mitigation of environmental concerns that result from  
3 construction or use of high occupancy vehicle lanes and related  
4 facilities, by an investment district for projects contained in a plan  
5 developed under chapter 36.120 RCW, payment of principal and interest  
6 on bonds issued for the purposes of this section, for high occupancy  
7 vehicle programs as defined in RCW 81.100.020(5), and for commuter rail  
8 projects in accordance with RCW 81.104.120. Except for funds raised by  
9 an investment district, no funds collected under RCW 81.100.030 or  
10 81.100.060 after June 30, 2000, may be pledged for the payment or  
11 security of the principal or interest on any bonds issued for the  
12 purposes of this section. Not more than ten percent of the funds may  
13 be used for transit agency high occupancy vehicle programs.

14 Priorities for construction of high occupancy vehicle lanes and  
15 related facilities shall be as follows:

16 (1)(a) To accelerate construction of high occupancy vehicle lanes  
17 on the interstate highway system, as well as related facilities;

18 (b) To finance or accelerate construction of high occupancy vehicle  
19 lanes on the noninterstate state highway system, as well as related  
20 facilities.

21 (2) To finance construction of high occupancy vehicle lanes on  
22 local arterials, as well as related facilities.

23 Moneys received by ~~((an agency))~~ a county under this chapter shall  
24 be used in addition to, and not as a substitute for, moneys currently  
25 used by the ~~((agency))~~ county for the purposes specified in this  
26 section.

27 Counties and investment districts may contract with cities or the  
28 state department of transportation for construction of high occupancy  
29 vehicle lanes and related facilities, and may issue general obligation  
30 bonds to fund such construction and use funds received under this  
31 chapter to pay the principal and interest on such bonds.

32 **Sec. 14.** RCW 81.100.060 and 2002 c 56 s 411 are each amended to  
33 read as follows:

34 A county with a population of one million or more and a county with  
35 a population of from two hundred ten thousand to less than one million  
36 that is adjoining a county with a population of one million or more,  
37 having within their boundaries existing or planned high-occupancy

1 vehicle lanes on the state highway system, or a regional transportation  
2 investment district (~~((for capital improvements))~~), but only to the  
3 extent that the surcharge has not already been imposed by the county,  
4 may, with voter approval, impose a local surcharge of not more than  
5 three-tenths of one percent in the case of a county, or eight-tenths of  
6 one percent in the case of a regional transportation investment  
7 district, of the value on vehicles registered to a person residing  
8 within the county or investment district and not more than 13.64  
9 percent on the state sales and use taxes paid under the rate in RCW  
10 82.08.020(2) on retail car rentals within the county or investment  
11 district. A county may impose the surcharge only to the extent that it  
12 has not been imposed by the district. No surcharge may be imposed on  
13 vehicles licensed under RCW 46.16.070 except vehicles with an unladen  
14 weight of six thousand pounds or less, RCW 46.16.079, 46.16.085, or  
15 46.16.090.

16 Counties or investment districts imposing a (~~((tax))~~) surcharge under  
17 this section shall contract, before the effective date of the  
18 resolution or ordinance imposing a surcharge, administration and  
19 collection to the state department of licensing, and department of  
20 revenue, as appropriate, which shall deduct (~~((an))~~) a percentage amount,  
21 as provided by contract, not to exceed two percent of the taxes, for  
22 administration and collection expenses incurred by the department. All  
23 administrative provisions in chapters 82.03, 82.32, and 82.44 RCW  
24 shall, insofar as they are applicable to motor vehicle excise taxes, be  
25 applicable to surcharges imposed under this section. All  
26 administrative provisions in chapters 82.03, 82.08, 82.12, and 82.32  
27 RCW shall, insofar as they are applicable to state sales and use taxes,  
28 be applicable to surcharges imposed under this section. A surcharge  
29 imposed under this section, or a change to the surcharge, shall take  
30 effect no sooner than seventy-five days after the department of  
31 licensing or the department of revenue receives notice of the surcharge  
32 or change to the surcharge, and shall take effect only on the first day  
33 of January, April, July, or October. Unless waived by the department  
34 of licensing or the department of revenue, notice includes providing  
35 the appropriate department with digital mapping and legal descriptions  
36 of areas in which the tax will be collected.

37 If the tax authorized in RCW 81.100.030 is also imposed, the total

1 proceeds from tax sources imposed under this section and RCW 81.100.030  
2 each year shall not exceed the maximum amount which could be collected  
3 under this section.

4 **Sec. 15.** RCW 82.14.0455 and 2005 c 336 s 15 are each amended to  
5 read as follows:

6 (1) Subject to the provisions in RCW 36.73.065, a transportation  
7 benefit district under chapter 36.73 RCW may fix and impose a sales and  
8 use tax in accordance with the terms of this chapter. The tax  
9 authorized in this section is in addition to any other taxes authorized  
10 by law and shall be collected from those persons who are taxable by the  
11 state under chapters 82.08 and 82.12 RCW upon the occurrence of any  
12 taxable event within the boundaries of the district. The rate of tax  
13 shall not exceed two-tenths of one percent of the selling price in the  
14 case of a sales tax, or value of the article used, in the case of a use  
15 tax. The tax may not be imposed for a period exceeding ten years.  
16 This tax may be extended for a period not exceeding ten years with an  
17 affirmative vote of the voters voting at the election.

18 (2) Money received from the tax imposed under this section must be  
19 spent in accordance with the requirements of chapter 36.73 RCW.

20 ~~((3) A district may only levy the tax under this section if the  
21 district is comprised of boundaries coextensive with the boundaries of  
22 a county, counties, city or cities, a county transportation authority  
23 or authorities, a public transportation benefit area or areas, or any  
24 combination of these jurisdictions.))~~

25 **Sec. 16.** RCW 82.14.430 and 2002 c 56 s 405 are each amended to  
26 read as follows:

27 (1) If approved by the majority of the voters within its boundaries  
28 voting on the ballot proposition, a regional transportation investment  
29 district may impose a sales and use tax of up to 0.5 percent of the  
30 selling price or value of the article used in the case of a use tax.  
31 The tax authorized by this section is in addition to the tax authorized  
32 by RCW 82.14.030 and must be collected from those persons who are  
33 taxable by the state under chapters 82.08 and 82.12 RCW upon the  
34 occurrence of any taxable event within the taxing district. Motor  
35 vehicles are exempt from the sales and use tax imposed under this  
36 subsection. In addition to being used for projects in a regional

1 transportation investment plan under chapter 36.120 RCW, proceeds from  
2 the taxes under this section may be used for passenger-only ferry  
3 service.

4 (2) If approved by the majority of the voters within its boundaries  
5 voting on the ballot proposition, a regional transportation investment  
6 district may impose a tax on the use of a motor vehicle within a  
7 regional transportation investment district. The tax applies to those  
8 persons who reside within the regional transportation investment  
9 district. The rate of the tax may not exceed (~~0.5~~) 0.1 percent of  
10 the value of the motor vehicle. The tax authorized by this subsection  
11 is in addition to the tax authorized under RCW 82.14.030 and must be  
12 imposed and collected at the time a taxable event under RCW  
13 82.08.020(1) or 82.12.020 takes place. All revenue received under this  
14 subsection must be deposited in the local sales and use tax account and  
15 distributed to the regional transportation investment district  
16 according to RCW 82.14.050. The following provisions apply to the use  
17 tax in this subsection:

18 (a) Where persons are taxable under chapter 82.08 RCW, the seller  
19 shall collect the use tax from the buyer using the collection  
20 provisions of RCW 82.08.050.

21 (b) Where persons are taxable under chapter 82.12 RCW, the use tax  
22 must be collected using the provisions of RCW 82.12.045.

23 (c) "Motor vehicle" has the meaning provided in RCW 46.04.320, but  
24 does not include farm tractors or farm vehicles as defined in RCW  
25 46.04.180 and 46.04.181, off-road and nonhighway vehicles as defined in  
26 RCW 46.09.020, and snowmobiles as defined in RCW 46.10.010.

27 (d) "Person" has the meaning given in RCW 82.04.030.

28 (e) The value of a motor vehicle must be determined under RCW  
29 82.12.010.

30 (f) Except as specifically stated in this subsection (2), chapters  
31 82.12 and 82.32 RCW apply to the use tax. The use tax is a local tax  
32 imposed under the authority of chapter 82.14 RCW, and chapter 82.14 RCW  
33 applies fully to the use tax.

34 (3) In addition to fulfilling the notice requirements under RCW  
35 82.14.055(1), and unless waived by the department, a regional  
36 transportation investment district shall provide the department of  
37 revenue with digital mapping and legal descriptions of areas in which  
38 the tax will be collected.

1        NEW SECTION.    **Sec. 17.**    A new section is added to chapter 36.120  
2    RCW to read as follows:

3        A regional transportation investment district may adopt system-wide  
4    pricing policies and an implementation plan for the regional  
5    transportation system within its boundaries.    "System-wide pricing"  
6    includes the tolling authority provided in RCW 36.120.050, network  
7    value-pricing authority provided in section 19 of this act, the  
8    authority to set regional transit fares as provided in RCW  
9    81.112.080(4), and other system pricing tools as determined by the  
10   district governing board.    System-wide pricing charges authorized by  
11   this act may be imposed to improve performance of the regional  
12   transportation system, improve integration of transportation modes,  
13   finance transportation improvements, and measure needed investments.  
14   Pricing charges may vary for type of vehicle, time of day, traffic  
15   conditions, and other factors.    System-wide pricing policies under this  
16   section are subject to the approval of the state transportation  
17   commission or its statutory successor.

18        **Sec. 18.**    RCW 82.80.120 and 2003 c 350 s 3 are each amended to read  
19    as follows:

20        (1) For purposes of this section:

21        (a) "Distributor" means every person who imports, refines,  
22    manufactures, produces, or compounds motor vehicle fuel and special  
23    fuel as defined in RCW 82.36.010 and 82.38.020, respectively, and sells  
24    or distributes the fuel into a county;

25        (b) "Person" has the same meaning as in RCW 82.04.030;

26        (c) "District" means a regional transportation investment district  
27    under chapter 36.120 RCW.

28        (2) A regional transportation investment district under chapter  
29    36.120 RCW, subject to the conditions of this section, may levy  
30    additional excise taxes equal to ten percent of the statewide motor  
31    vehicle fuel tax rate under RCW 82.36.025 on each gallon of motor  
32    vehicle fuel as defined in RCW 82.36.010 and on each gallon of special  
33    fuel as defined in RCW 82.38.020 sold within the boundaries of the  
34    district.    The additional excise tax is subject to the approval of a  
35    majority of the voters within the district boundaries.    Vehicles paying  
36    an annual license fee under RCW 82.38.075 are exempt from the  
37    district's fuel excise tax.    The additional excise taxes are subject to

1 the same exceptions and rights of refund as applicable to other motor  
2 vehicle fuel and special fuel excise taxes levied under chapters 82.36  
3 and 82.38 RCW. The proposed tax may not be levied less than one month  
4 from the date the election results are certified. The commencement  
5 date for the levy of any tax under this section will be the first day  
6 of January, April, July, or October.

7 (3) The local option motor vehicle fuel tax on each gallon of motor  
8 vehicle fuel and on each gallon of special fuel is imposed upon the  
9 distributor of the fuel.

10 (4) A taxable event for the purposes of this section occurs upon  
11 the first distribution of the fuel within the boundaries of the  
12 district to a retail outlet, bulk fuel user, or ultimate user of the  
13 fuel.

14 (5) All administrative provisions in chapters 82.01, 82.03, and  
15 82.32 RCW, insofar as they are applicable, apply to local option fuel  
16 taxes imposed under this section.

17 (6) Before the effective date of the imposition of the fuel taxes  
18 under this section, a district shall contract with the department of  
19 revenue for the administration and collection of the taxes. The  
20 contract must provide that a percentage amount, not to exceed one  
21 percent of the taxes imposed under this section, will be deposited into  
22 the local tax administration account created in the custody of the  
23 state treasurer. The department of revenue may spend money from this  
24 account, upon appropriation, for the administration of the local taxes  
25 imposed under this section.

26 (7) The state treasurer shall distribute monthly to the district  
27 levying the tax as part of the regional transportation investment  
28 district plan, after the deductions for payments and expenditures as  
29 provided in RCW 46.68.090(1) (a) and (b).

30 (8) The proceeds of the additional taxes levied by a district in  
31 this section, to be used as a part of a regional transportation  
32 investment district plan, must be used in accordance with chapter  
33 36.120 RCW, but only for those areas that are considered "highway  
34 purposes" as that term is construed in Article II, section 40 of the  
35 state Constitution.

36 (9) A district may only levy the tax under this section if the  
37 district is comprised of boundaries identical to the boundaries of a



1 county or counties. A district may not levy the tax in this section if  
2 a member county is levying the tax in RCW 82.80.010 or 82.80.110.

3 NEW SECTION. **Sec. 19.** A new section is added to chapter 36.120  
4 RCW to read as follows:

5 (1) A regional transportation investment district may impose a  
6 network value-pricing charge based upon vehicle travel. This charge  
7 may be, but is not limited to, a charge upon the vehicle miles traveled  
8 within the district by a vehicle, or upon vehicle miles traveled within  
9 certain corridors in the district, or upon total vehicle miles traveled  
10 by a vehicle registered to a person whose legal residence is within the  
11 district. Network value-pricing charges imposed may vary by type of  
12 vehicle, time of day, traffic conditions, and other factors.

13 (2) Charges imposed may be collected either periodically in a  
14 manner prescribed by the district governing board or annually by the  
15 department of licensing upon renewal of the vehicle license. The  
16 district governing board may identify categories of miles driven that  
17 are subject to or exempt from the charge including, but not limited to,  
18 travel outside the district, travel in specified corridors, time of  
19 travel, or exempt or maximum mileage charges.

20 (3) The mileage charge under this section is subject to the  
21 approval of the state transportation commission or its statutory  
22 successor.

23 (4) A district governing board imposing a mileage charge collected  
24 annually by the state department of licensing upon renewal of the  
25 vehicle license shall enter into a contract with the department of  
26 licensing. The contract must contain provisions that fully recover the  
27 costs to the department of licensing for collection and administration  
28 of the charge. The district governing board imposing this charge or  
29 initiating an exemption process shall provide at least six months'  
30 notice to the department of licensing before the implementation of any  
31 changes in registration amounts or exemptions.

32 **Sec. 20.** RCW 47.56.076 and 2005 c 335 s 3 are each amended to read  
33 as follows:

34 Upon approval of a majority of the voters within its boundaries  
35 voting on the ballot proposition, and ~~((only for the purposes~~  
36 ~~authorized in RCW 36.120.050(1)(g)))~~ with the approval of the state

1 transportation commission or its successor, a regional transportation  
2 investment district may authorize vehicle tolls on a local or regional  
3 arterial or a state (~~((routes where improvements financed in whole or in~~  
4 ~~part by a regional transportation investment district add additional~~  
5 ~~lanes to, or reconstruct lanes on, a highway of statewide~~  
6 ~~significance))~~ or federal highway within the boundaries of the  
7 district. The department shall administer the collection of vehicle  
8 tolls authorized on designated facilities unless otherwise specified in  
9 law or by contract, and the (~~(state transportation))~~ commission(~~(τ))~~) or  
10 its successor(~~(τ))~~) shall (~~((be the tolling authority))~~) set and impose  
11 the tolls in amounts sufficient to implement the regional  
12 transportation investment plan under RCW 36.120.020.

13 NEW SECTION. Sec. 21. A new section is added to chapter 47.56 RCW  
14 to read as follows:

15 Notwithstanding any provision to the contrary in this chapter, a  
16 regional transportation investment district may authorize vehicle tolls  
17 on either Lake Washington bridge within its boundaries to implement a  
18 regional transportation investment plan as authorized in chapter 36.120  
19 RCW and RCW 47.56.076.

20 Sec. 22. RCW 43.79A.040 and 2005 c 424 s 18, 2005 c 402 s 8, 2005  
21 c 215 s 10, and 2005 c 16 s 2 are each reenacted and amended to read as  
22 follows:

23 (1) Money in the treasurer's trust fund may be deposited, invested,  
24 and reinvested by the state treasurer in accordance with RCW 43.84.080  
25 in the same manner and to the same extent as if the money were in the  
26 state treasury.

27 (2) All income received from investment of the treasurer's trust  
28 fund shall be set aside in an account in the treasury trust fund to be  
29 known as the investment income account.

30 (3) The investment income account may be utilized for the payment  
31 of purchased banking services on behalf of treasurer's trust funds  
32 including, but not limited to, depository, safekeeping, and  
33 disbursement functions for the state treasurer or affected state  
34 agencies. The investment income account is subject in all respects to  
35 chapter 43.88 RCW, but no appropriation is required for payments to

1 financial institutions. Payments shall occur prior to distribution of  
2 earnings set forth in subsection (4) of this section.

3 (4)(a) Monthly, the state treasurer shall distribute the earnings  
4 credited to the investment income account to the state general fund  
5 except under (b) and (c) of this subsection.

6 (b) The following accounts and funds shall receive their  
7 proportionate share of earnings based upon each account's or fund's  
8 average daily balance for the period: The Washington promise  
9 scholarship account, the college savings program account, the  
10 Washington advanced college tuition payment program account, the  
11 agricultural local fund, the American Indian scholarship endowment  
12 fund, the foster care scholarship endowment fund, the foster care  
13 endowed scholarship trust fund, the students with dependents grant  
14 account, the basic health plan self-insurance reserve account, the  
15 contract harvesting revolving account, the Washington state combined  
16 fund drive account, the commemorative works account, the Washington  
17 international exchange scholarship endowment fund, the developmental  
18 disabilities endowment trust fund, the energy account, the fair fund,  
19 the fruit and vegetable inspection account, the future teachers  
20 conditional scholarship account, the game farm alternative account, the  
21 grain inspection revolving fund, the juvenile accountability incentive  
22 account, the law enforcement officers' and fire fighters' plan 2  
23 expense fund, the local tourism promotion account, the produce railcar  
24 pool account, the regional transportation investment district account,  
25 the rural rehabilitation account, the stadium and exhibition center  
26 account, the youth athletic facility account, the self-insurance  
27 revolving fund, the sulfur dioxide abatement account, the children's  
28 trust fund, the Washington horse racing commission Washington bred  
29 owners' bonus fund account, the Washington horse racing commission  
30 class C purse fund account, the individual development account program  
31 account, the Washington horse racing commission operating account  
32 (earnings from the Washington horse racing commission operating account  
33 must be credited to the Washington horse racing commission class C  
34 purse fund account), and the life sciences discovery fund. However,  
35 the earnings to be distributed shall first be reduced by the allocation  
36 to the state treasurer's service fund pursuant to RCW 43.08.190.

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

1 fund's average daily balance for the period: The advanced right of way  
2 revolving fund, the advanced environmental mitigation revolving  
3 account, the city and county advance right-of-way revolving fund, the  
4 federal narcotics asset forfeitures account, the high occupancy vehicle  
5 account, the local rail service assistance account, and the  
6 miscellaneous transportation programs account.

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

10 **Sec. 23.** RCW 43.84.092 and 2005 c 514 s 1105, 2005 c 353 s 3, 2005  
11 c 339 s 22, 2005 c 314 s 109, 2005 c 312 s 7, and 2005 c 94 s 1 are  
12 each reenacted and amended to read as follows:

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

16 (2) The treasury income account shall be utilized to pay or receive  
17 funds associated with federal programs as required by the federal cash  
18 management improvement act of 1990. The treasury income account is  
19 subject in all respects to chapter 43.88 RCW, but no appropriation is  
20 required for refunds or allocations of interest earnings required by  
21 the cash management improvement act. Refunds of interest to the  
22 federal treasury required under the cash management improvement act  
23 fall under RCW 43.88.180 and shall not require appropriation. The  
24 office of financial management shall determine the amounts due to or  
25 from the federal government pursuant to the cash management improvement  
26 act. The office of financial management may direct transfers of funds  
27 between accounts as deemed necessary to implement the provisions of the  
28 cash management improvement act, and this subsection. Refunds or  
29 allocations shall occur prior to the distributions of earnings set  
30 forth in subsection (4) of this section.

31 (3) Except for the provisions of RCW 43.84.160, the treasury income  
32 account may be utilized for the payment of purchased banking services  
33 on behalf of treasury funds including, but not limited to, depository,  
34 safekeeping, and disbursement functions for the state treasury and  
35 affected state agencies. The treasury income account is subject in all  
36 respects to chapter 43.88 RCW, but no appropriation is required for

1 payments to financial institutions. Payments shall occur prior to  
2 distribution of earnings set forth in subsection (4) of this section.

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

7 (a) The following accounts and funds shall receive their  
8 proportionate share of earnings based upon each account's and fund's  
9 average daily balance for the period: The capitol building  
10 construction account, the Cedar River channel construction and  
11 operation account, the Central Washington University capital projects  
12 account, the charitable, educational, penal and reformatory  
13 institutions account, the common school construction fund, the county  
14 criminal justice assistance account, the county sales and use tax  
15 equalization account, the data processing building construction  
16 account, the deferred compensation administrative account, the deferred  
17 compensation principal account, the department of retirement systems  
18 expense account, the developmental disabilities community trust  
19 account, the drinking water assistance account, the drinking water  
20 assistance administrative account, the drinking water assistance  
21 repayment account, the Eastern Washington University capital projects  
22 account, the education construction fund, the education legacy trust  
23 account, the election account, the emergency reserve fund, The  
24 Evergreen State College capital projects account, the federal forest  
25 revolving account, the freight mobility investment account, the health  
26 services account, the public health services account, the health system  
27 capacity account, the personal health services account, the state  
28 higher education construction account, the higher education  
29 construction account, the highway infrastructure account, the high-  
30 occupancy toll lanes operations account, the industrial insurance  
31 premium refund account, the judges' retirement account, the judicial  
32 retirement administrative account, the judicial retirement principal  
33 account, the local leasehold excise tax account, the local real estate  
34 excise tax account, the local sales and use tax account, the medical  
35 aid account, the mobile home park relocation fund, the multimodal  
36 transportation account, the municipal criminal justice assistance  
37 account, the municipal sales and use tax equalization account, the  
38 natural resources deposit account, the oyster reserve land account, the

1 perpetual surveillance and maintenance account, the public employees'  
2 retirement system plan 1 account, the public employees' retirement  
3 system combined plan 2 and plan 3 account, the public facilities  
4 construction loan revolving account beginning July 1, 2004, the public  
5 health supplemental account, the Puyallup tribal settlement account,  
6 the real estate appraiser commission account, (~~the regional~~  
7 ~~transportation investment district account,~~) the resource management  
8 cost account, the rural Washington loan fund, the site closure account,  
9 the small city pavement and sidewalk account, the special wildlife  
10 account, the state employees' insurance account, the state employees'  
11 insurance reserve account, the state investment board expense account,  
12 the state investment board commingled trust fund accounts, the  
13 supplemental pension account, the Tacoma Narrows toll bridge account,  
14 the teachers' retirement system plan 1 account, the teachers'  
15 retirement system combined plan 2 and plan 3 account, the tobacco  
16 prevention and control account, the tobacco settlement account, the  
17 transportation infrastructure account, the transportation partnership  
18 account, the tuition recovery trust fund, the University of Washington  
19 bond retirement fund, the University of Washington building account,  
20 the volunteer fire fighters' and reserve officers' relief and pension  
21 principal fund, the volunteer fire fighters' and reserve officers'  
22 administrative fund, the Washington fruit express account, the  
23 Washington judicial retirement system account, the Washington law  
24 enforcement officers' and fire fighters' system plan 1 retirement  
25 account, the Washington law enforcement officers' and fire fighters'  
26 system plan 2 retirement account, the Washington school employees'  
27 retirement system combined plan 2 and 3 account, the Washington state  
28 health insurance pool account, the Washington state patrol retirement  
29 account, the Washington State University building account, the  
30 Washington State University bond retirement fund, the water pollution  
31 control revolving fund, and the Western Washington University capital  
32 projects account. Earnings derived from investing balances of the  
33 agricultural permanent fund, the normal school permanent fund, the  
34 permanent common school fund, the scientific permanent fund, and the  
35 state university permanent fund shall be allocated to their respective  
36 beneficiary accounts. All earnings to be distributed under this  
37 subsection (4)(a) shall first be reduced by the allocation to the state  
38 treasurer's service fund pursuant to RCW 43.08.190.

1 (b) The following accounts and funds shall receive eighty percent  
2 of their proportionate share of earnings based upon each account's or  
3 fund's average daily balance for the period: The aeronautics account,  
4 the aircraft search and rescue account, the county arterial  
5 preservation account, the department of licensing services account, the  
6 essential rail assistance account, the ferry bond retirement fund, the  
7 grade crossing protective fund, the high capacity transportation  
8 account, the highway bond retirement fund, the highway safety account,  
9 the motor vehicle fund, the motorcycle safety education account, the  
10 pilotage account, the public transportation systems account, the Puget  
11 Sound capital construction account, the Puget Sound ferry operations  
12 account, the recreational vehicle account, the rural arterial trust  
13 account, the safety and education account, the special category C  
14 account, the state patrol highway account, the transportation 2003  
15 account (nickel account), the transportation equipment fund, the  
16 transportation fund, the transportation improvement account, the  
17 transportation improvement board bond retirement account, and the urban  
18 arterial trust account.

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

22 **Sec. 24.** RCW 43.84.092 and 2005 c 514 s 1106, 2005 c 353 s 4, 2005  
23 c 339 s 23, 2005 c 314 s 110, 2005 c 312 s 8, and 2005 c 94 s 2 are  
24 each reenacted and amended to read as follows:

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

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

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

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

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

18 (a) The following accounts and funds shall receive their  
19 proportionate share of earnings based upon each account's and fund's  
20 average daily balance for the period: The capitol building  
21 construction account, the Cedar River channel construction and  
22 operation account, the Central Washington University capital projects  
23 account, the charitable, educational, penal and reformatory  
24 institutions account, the common school construction fund, the county  
25 criminal justice assistance account, the county sales and use tax  
26 equalization account, the data processing building construction  
27 account, the deferred compensation administrative account, the deferred  
28 compensation principal account, the department of retirement systems  
29 expense account, the developmental disabilities community trust  
30 account, the drinking water assistance account, the drinking water  
31 assistance administrative account, the drinking water assistance  
32 repayment account, the Eastern Washington University capital projects  
33 account, the education construction fund, the education legacy trust  
34 account, the election account, the emergency reserve fund, The  
35 Evergreen State College capital projects account, the federal forest  
36 revolving account, the freight mobility investment account, the health  
37 services account, the public health services account, the health system  
38 capacity account, the personal health services account, the state



1 higher education construction account, the higher education  
2 construction account, the highway infrastructure account, the high-  
3 occupancy toll lanes operations account, the industrial insurance  
4 premium refund account, the judges' retirement account, the judicial  
5 retirement administrative account, the judicial retirement principal  
6 account, the local leasehold excise tax account, the local real estate  
7 excise tax account, the local sales and use tax account, the medical  
8 aid account, the mobile home park relocation fund, the multimodal  
9 transportation account, the municipal criminal justice assistance  
10 account, the municipal sales and use tax equalization account, the  
11 natural resources deposit account, the oyster reserve land account, the  
12 perpetual surveillance and maintenance account, the public employees'  
13 retirement system plan 1 account, the public employees' retirement  
14 system combined plan 2 and plan 3 account, the public facilities  
15 construction loan revolving account beginning July 1, 2004, the public  
16 health supplemental account, the public works assistance account, the  
17 Puyallup tribal settlement account, the real estate appraiser  
18 commission account, (~~the regional transportation investment district~~  
19 ~~account,~~) the resource management cost account, the rural Washington  
20 loan fund, the site closure account, the small city pavement and  
21 sidewalk account, the special wildlife account, the state employees'  
22 insurance account, the state employees' insurance reserve account, the  
23 state investment board expense account, the state investment board  
24 commingled trust fund accounts, the supplemental pension account, the  
25 Tacoma Narrows toll bridge account, the teachers' retirement system  
26 plan 1 account, the teachers' retirement system combined plan 2 and  
27 plan 3 account, the tobacco prevention and control account, the tobacco  
28 settlement account, the transportation infrastructure account, the  
29 transportation partnership account, the tuition recovery trust fund,  
30 the University of Washington bond retirement fund, the University of  
31 Washington building account, the volunteer fire fighters' and reserve  
32 officers' relief and pension principal fund, the volunteer fire  
33 fighters' and reserve officers' administrative fund, the Washington  
34 fruit express account, the Washington judicial retirement system  
35 account, the Washington law enforcement officers' and fire fighters'  
36 system plan 1 retirement account, the Washington law enforcement  
37 officers' and fire fighters' system plan 2 retirement account, the  
38 Washington public safety employees' plan 2 retirement account, the

1 Washington school employees' retirement system combined plan 2 and 3  
2 account, the Washington state health insurance pool account, the  
3 Washington state patrol retirement account, the Washington State  
4 University building account, the Washington State University bond  
5 retirement fund, the water pollution control revolving fund, and the  
6 Western Washington University capital projects account. Earnings  
7 derived from investing balances of the agricultural permanent fund, the  
8 normal school permanent fund, the permanent common school fund, the  
9 scientific permanent fund, and the state university permanent fund  
10 shall be allocated to their respective beneficiary accounts. All  
11 earnings to be distributed under this subsection (4)(a) shall first be  
12 reduced by the allocation to the state treasurer's service fund  
13 pursuant to RCW 43.08.190.

14 (b) The following accounts and funds shall receive eighty percent  
15 of their proportionate share of earnings based upon each account's or  
16 fund's average daily balance for the period: The aeronautics account,  
17 the aircraft search and rescue account, the county arterial  
18 preservation account, the department of licensing services account, the  
19 essential rail assistance account, the ferry bond retirement fund, the  
20 grade crossing protective fund, the high capacity transportation  
21 account, the highway bond retirement fund, the highway safety account,  
22 the motor vehicle fund, the motorcycle safety education account, the  
23 pilotage account, the public transportation systems account, the Puget  
24 Sound capital construction account, the Puget Sound ferry operations  
25 account, the recreational vehicle account, the rural arterial trust  
26 account, the safety and education account, the special category C  
27 account, the state patrol highway account, the transportation 2003  
28 account (nickel account), the transportation equipment fund, the  
29 transportation fund, the transportation improvement account, the  
30 transportation improvement board bond retirement account, and the urban  
31 arterial trust account.

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

35 **Sec. 25.** RCW 36.73.015 and 2005 c 336 s 1 are each amended to read  
36 as follows:

1 The definitions in this section apply throughout this chapter  
2 unless the context clearly requires otherwise.

3 (1) "District" means a transportation benefit district created  
4 under this chapter.

5 (2) "City" means a city or town.

6 (3) "Transportation improvement" means a project contained in the  
7 transportation plan of the state or a regional transportation planning  
8 organization (~~((that is of statewide or regional significance))~~). A  
9 project may include investment in new or existing highways of statewide  
10 significance, principal arterials of regional significance, high-  
11 capacity transportation, public transportation, and other  
12 transportation projects and programs of regional or statewide  
13 significance including transportation demand management. Projects may  
14 also include the operation, preservation, and maintenance of these  
15 facilities or programs. (~~((Not more than forty percent of the revenues  
16 generated by a district may be expended on city streets, county roads,  
17 existing highways other than highways of statewide significance, and  
18 the creation of a new highway that intersects with a highway of  
19 statewide significance.))~~)

20 **Sec. 26.** RCW 36.73.020 and 2005 c 336 s 3 are each amended to read  
21 as follows:

22 (1) The legislative authority of a county or city may establish a  
23 transportation benefit district within the county or city area or  
24 within the area specified in subsection (2) of this section, for the  
25 purpose of acquiring, constructing, improving, providing, and funding  
26 a transportation improvement within the district that is consistent  
27 with any existing state, regional, and local transportation plans and  
28 necessitated by existing or reasonably foreseeable congestion levels.  
29 The transportation improvements shall be owned by the county of  
30 jurisdiction if located in an unincorporated area, by the city of  
31 jurisdiction if located in an incorporated area, or by the state in  
32 cases where the transportation improvement is or becomes a state  
33 highway. However, if deemed appropriate by the governing body of the  
34 transportation benefit district, a transportation improvement may be  
35 owned by a participating port district or transit district, unless  
36 otherwise prohibited by law. Transportation improvements shall be  
37 administered and maintained as other public streets, roads, highways,

1 and transportation improvements. To the extent practicable, the  
2 district shall consider the following criteria when selecting  
3 transportation improvements:

4 (a) Reduced risk of transportation facility failure and improved  
5 safety;

6 (b) Improved travel time;

7 (c) Improved air quality;

8 (d) Increases in daily and peak period trip capacity;

9 (e) Improved modal connectivity;

10 (f) Improved freight mobility;

11 (g) Cost-effectiveness of the investment;

12 (h) Optimal performance of the system through time; and

13 (i) Other criteria, as adopted by the governing body.

14 (2) (~~Subject to subsection (6) of this section,~~) The district may  
15 include area within more than one county, city, port district, county  
16 transportation authority, or public transportation benefit area, if the  
17 legislative authority of each participating jurisdiction has agreed to  
18 the inclusion as provided in an interlocal agreement adopted pursuant  
19 to chapter 39.34 RCW. However, the boundaries of the district  
20 (~~shall~~) need not include all territory within the boundaries of the  
21 participating jurisdictions comprising the district.

22 (3) The members of the legislative authority proposing to establish  
23 the district, acting ex officio and independently, shall constitute the  
24 governing body of the district: PROVIDED, That where a district  
25 includes area within more than one jurisdiction under subsection (2) of  
26 this section, the district shall be governed under an interlocal  
27 agreement adopted pursuant to chapter 39.34 RCW. However, the  
28 governing body shall be composed of at least five members including at  
29 least one elected official from the legislative authority of each  
30 participating jurisdiction.

31 (4) The treasurer of the jurisdiction proposing to establish the  
32 district shall act as the ex officio treasurer of the district, unless  
33 an interlocal agreement states otherwise.

34 (5) The electors of the district shall all be registered voters  
35 residing within the district.

36 (~~(6) The authority under this section, regarding the establishment~~  
37 ~~of or the participation in a district, shall not apply to:~~

1 ~~(a) Counties with a population greater than one million five~~  
2 ~~hundred thousand persons and any adjoining counties with a population~~  
3 ~~greater than five hundred thousand persons;~~

4 ~~(b) Cities with any area within the counties under (a) of this~~  
5 ~~subsection; and~~

6 ~~(c) Other jurisdictions with any area within the counties under (a)~~  
7 ~~of this subsection.)~~

8 NEW SECTION. Sec. 27. A new section is added to chapter 47.01 RCW  
9 to read as follows:

10 The department shall not commence construction on any part of the  
11 state route number 520 bridge replacement and HOV project until  
12 agreements have been reached with the incorporated towns or cities  
13 directly affected by the project. The agreements must provide  
14 reasonable assurance that any degradation in the citizens' current use  
15 and enjoyment of their properties as a result of repairs and  
16 improvements made to the state route number 520 bridge and its  
17 connecting roadways will be addressed through engineering design  
18 choices, mitigation measures, or a combination of both.

19 NEW SECTION. Sec. 28. A new section is added to chapter 36.120  
20 RCW to read as follows:

21 (1) Prior to a regional transportation public vote conducted under  
22 this chapter, the department of transportation must complete all of the  
23 following requirements for both the Alaskan Way viaduct and Seattle  
24 Seawall replacement project, and the state route number 520 bridge  
25 replacement and HOV project: (a) In accordance with the national  
26 environmental policy act, the department must designate the preferred  
27 alternative, prepare a substantial project mitigation plan, and  
28 complete a comprehensive cost estimate review using the department's  
29 cost estimate validation process, for each project; (b) in accordance  
30 with all applicable federal highway administration planning and project  
31 management requirements, the department must prepare a project finance  
32 plan for each project that clearly identifies secured and anticipated  
33 fund sources, cash flow timing requirements, and project staging and  
34 phasing plans if applicable; and (c) the department must report these  
35 results for each project to the joint transportation committee.

1 (2) The requirements of this section shall not apply to (a) utility  
2 relocation work, and related activities, on the Alaskan Way viaduct and  
3 Seattle Seawall replacement project and (b) off-site pontoon  
4 construction, and related activities, supporting the state route number  
5 520 bridge replacement and HOV project.

6 **Sec. 29.** RCW 81.112.050 and 1998 c 192 s 1 are each amended to  
7 read as follows:

8 (1) At the time of formation, the area to be included within the  
9 boundary of the authority shall be that area set forth in the system  
10 plan adopted by the joint regional policy committee. Prior to  
11 submitting the system and financing plan to the voters, the authority  
12 may make adjustments to the boundaries as deemed appropriate but must  
13 assure that, to the extent possible, the boundaries: (a) Include the  
14 largest-population urban growth area designated by each county under  
15 chapter 36.70A RCW; and (b) follow election precinct boundaries. If a  
16 portion of any city is determined to be within the service area, the  
17 entire city must be included within the boundaries of the authority.

18 (2) After voters within the authority boundaries have approved the  
19 system and financing plan, elections to add areas contiguous to the  
20 authority boundaries may be called by resolution of the regional  
21 transit authority, after consultation with affected transit agencies  
22 and with the concurrence of the legislative authority of the city or  
23 town if the area is incorporated, or with the concurrence of the county  
24 legislative authority if the area is unincorporated. Only those areas  
25 that would benefit from the services provided by the authority may be  
26 included and services or projects proposed for the area must be  
27 consistent with the regional transportation plan. The election may  
28 include a single ballot proposition providing for annexation to the  
29 authority boundaries and imposition of the taxes at rates already  
30 imposed within the authority boundaries. Alternatively, the annexation  
31 proposition may be submitted as part of a proposition to support  
32 additional implementation phases of the authority's system and  
33 financing plan as provided in RCW 81.112.030(10), in which case a  
34 simple majority of the combined electorate, voting within the existing  
35 boundaries and the proposed area to be annexed, is required to approve  
36 the annexation, along with approval of the plan and the revenue sources  
37 necessary to finance the plan.

1 (3) Upon receipt of a resolution requesting exclusion from the  
2 boundaries of the authority from a city whose municipal boundaries  
3 cross the boundaries of an authority and thereby result in only a  
4 portion of the city being subject to local option taxes imposed by the  
5 authority under chapters 81.104 and 81.112 RCW in order to implement a  
6 high-capacity transit plan, and where the vote to approve the city's  
7 incorporation occurred simultaneously with an election approving the  
8 local option taxes, then upon a two-thirds majority vote of the  
9 governing board of the authority, the governing board shall redraw the  
10 boundaries of the authority to exclude that portion of the city that is  
11 located within the authority's boundaries, and the excluded area is no  
12 longer subject to local option taxes imposed by the authority. This  
13 subsection expires December 31, 1998.

14 NEW SECTION. **Sec. 30.** Section 23 of this act expires July 1,  
15 2006.

16 NEW SECTION. **Sec. 31.** Section 24 of this act takes effect July 1,  
17 2006."

**ESHB 2871** - S COMM AMD  
By Committee on Transportation

**ADOPTED 03/01/2006**

18 On page 1, line 1 of the title, after "governance;" strike the  
19 remainder of the title and insert "amending RCW 36.120.020, 36.120.030,  
20 36.120.040, 36.120.070, 29A.36.071, 36.120.080, 36.120.110, 81.112.030,  
21 36.120.050, 81.100.080, 81.100.060, 82.14.0455, 82.14.430, 82.80.120,  
22 47.56.076, 36.73.015, 36.73.020, and 81.112.050; reenacting and  
23 amending RCW 43.79A.040, 43.84.092, and 43.84.092; adding new sections  
24 to chapter 36.120 RCW; adding a new section to chapter 47.56 RCW;  
25 adding a new section to chapter 47.01 RCW; creating new sections;  
26 providing an effective date; and providing an expiration date."

--- END ---