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**SUBSTITUTE HOUSE BILL 2157**

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**State of Washington**

**59th Legislature**

**2005 Regular Session**

**By** House Committee on Transportation (originally sponsored by Representatives Murray, Simpson, B. Sullivan, Dickerson, Sells, Ericks, McIntire and Conway)

READ FIRST TIME 03/07/05.

1 AN ACT Relating to authorizing the financing of regional  
2 transportation improvements by counties; amending RCW 81.104.140,  
3 81.100.030, 81.100.060, 81.100.080, 82.14.430, 82.80.005, 82.80.010,  
4 82.80.030, 82.80.070, 82.80.080, 82.80.100, 82.80.110, 82.80.120,  
5 47.56.075, and 47.56.076; adding a new section to chapter 47.80 RCW;  
6 adding a new section to chapter 82.80 RCW; adding a new section to  
7 chapter 47.56 RCW; adding a new chapter to Title 36 RCW; creating new  
8 sections; and repealing RCW 36.120.010, 36.120.020, 36.120.030,  
9 36.120.040, 36.120.050, 36.120.060, 36.120.070, 36.120.080, 36.120.090,  
10 36.120.100, 36.120.110, 36.120.120, 36.120.130, 36.120.140, 36.120.150,  
11 36.120.160, 36.120.170, 36.120.180, 36.120.190, 36.120.200, 36.120.900,  
12 and 36.120.901.

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

14 **PART I**

15 **IMPLEMENTING REGIONAL TRANSPORTATION INVESTMENT PLANS**

16 NEW SECTION. **Sec. 101.** FINDINGS. The legislature finds that:

17 (1) The capacity of many of Washington state's transportation

1 facilities have failed to keep up with the state's growth, particularly  
2 in major urban regions;

3 (2) The state cannot by itself fund, in a timely way, many of the  
4 major capacity and other improvements required on highways of statewide  
5 significance in the state's largest urbanized area;

6 (3) Providing a transportation system that provides efficient  
7 mobility for persons and freight requires a shared partnership and  
8 responsibility between the state, local, and regional governments and  
9 the private sector;

10 (4) Timely construction and development of significant  
11 transportation improvement projects can best be achieved through  
12 enhanced funding options for governments at the county and regional  
13 levels, using already existing tax authority together with innovative  
14 funding approaches to address critical transportation needs and to  
15 provide authority for regions and counties to address transportation  
16 projects of regional and statewide significance; and

17 (5) The development of transportation improvements will require  
18 both state, and regional and local efforts. This chapter is intended  
19 to enhance this partnership, and not to replace the need for resources  
20 to be provided by the state.

21 NEW SECTION. **Sec. 102.** DEFINITIONS. The definitions in this  
22 section apply throughout this chapter unless the context clearly  
23 requires otherwise.

24 (1) "High-priority project" means the restoration, reconstruction,  
25 or improvement of a transportation facility of statewide or regional  
26 significance that has failed or is an identified risk for failure in  
27 terms of its design life expectancy or other factors.

28 (2) "Lead agency" means a public agency designated by an authority  
29 to plan, design, build, and operate a project.

30 (3) "Transportation improvement projects" or "projects" means  
31 projects contained in the transportation plan of the state or a  
32 regional transportation planning organization that are of statewide or  
33 regional significance. Projects may include investment in new or  
34 existing highways of statewide significance, principal arterials of  
35 regional significance, high-capacity transportation, public  
36 transportation, and other transportation projects and programs of

1 regional or statewide significance including transportation demand  
2 management. Projects may also include the operation, preservation, and  
3 maintenance of these facilities or programs.

4 (4) "Regional transportation improvement authority" or "authority"  
5 means a municipal corporation whose boundaries are coextensive, to the  
6 extent deemed appropriate by the authority, with the urban growth  
7 boundaries of two or more contiguous counties, or an authority whose  
8 boundaries are contiguous with the boundaries of a single county, and  
9 that has been created by county legislative authorities, or in the case  
10 of a single-county authority, a county legislative authority, and a  
11 vote of the people under this chapter to implement a regional  
12 transportation improvement plan.

13 (5) "Regional transportation improvement authority board" or  
14 "board" means the board created under section 104 of this act to adopt  
15 and propose to county legislative authorities a regional transportation  
16 improvement plan to develop, finance, and construct transportation  
17 projects.

18 (6) "Regional transportation improvement plan" or "plan" means a  
19 plan to develop, construct, and finance a transportation project or  
20 projects.

21 (7) "Regional transportation planning organization" means that  
22 organization as defined in chapter 47.80 RCW.

23 NEW SECTION. **Sec. 103.** RTPO PLANNING DUTIES. (1) A county or  
24 group of counties choosing to implement a plan under this chapter shall  
25 request that a regional transportation planning organization, of which  
26 it or they are a member, develop a recommended prioritized list of  
27 projects to be included in a regional transportation improvement plan.  
28 The organization must adopt the prioritized list of projects within  
29 ninety days of the request and submit it to the requesting county or  
30 counties.

31 (2) In developing a prioritized list of projects for the plan the  
32 organization shall:

33 (a) Consider regional transportation needs, including high-priority  
34 transportation projects;

35 (b) Provide for improvements in safety and mobility based on  
36 addressing transportation improvement projects;

1 (c) Recommend the appropriate mix of transportation investment  
2 choices to address the mobility needs of the region, based on the  
3 criteria set forth in section 105(4) of this act;

4 (d) Address geographic equity and land use planning;

5 (e) Coordinate its activities with the department of  
6 transportation, which shall provide services, data, and personnel to  
7 assist in this planning as desired by the organization; and

8 (f) Coordinate with local government entities within the boundaries  
9 of the requesting county or group of counties that engage in  
10 transportation planning and providing transportation services.

11 NEW SECTION. **Sec. 104.** AUTHORITY FORMATION. (1) A county with a  
12 population over one million five hundred thousand persons together with  
13 any adjoining counties with a population over five hundred thousand  
14 persons may create, by adoption of an ordinance of the county  
15 legislative authorities, a regional transportation improvement  
16 authority.

17 (a) The boundaries of the authority must be, to the extent deemed  
18 appropriate, the area within the urban growth areas within each county.

19 After voters within the authority boundaries have approved a plan  
20 under section 107 of this act, elections to add areas to the authority  
21 boundaries may be called by the resolution of the authority, after  
22 consultation with the regional transportation planning organization and  
23 affected transit agencies and with the concurrence of the legislative  
24 authority of the city or town if the area is incorporated or with the  
25 concurrence of the county legislative authority if the area is  
26 unincorporated. The election may include a single ballot measure  
27 providing annexation to the authority, approval of the plan, and  
28 approval of revenue sources necessary to finance the plan. This option  
29 for annexation applies to areas within the counties initially  
30 establishing an authority and also to areas within a county having a  
31 population over two hundred thirty thousand persons and whose  
32 boundaries abut three counties eligible to form an authority under this  
33 subsection.

34 (b) The governing board consists of the members of the county  
35 legislative authorities whose districts are wholly or partially within  
36 the authority boundaries and the county executive of each county within  
37 the authority, with all members acting ex officio and independently.

1 Councilmembers have weighted votes based on the population of their  
2 council districts within the authority boundaries relative to the total  
3 population of the authority. The executive of each county has a  
4 weighted vote equivalent to the vote of the councilmember from the same  
5 county of the executive, having the most heavily weighted vote. A  
6 representative from the city having the greatest population in each  
7 county and any other city within the authority that has a population  
8 greater than one hundred ten thousand persons are nonvoting members of  
9 the board. The executive of any county with a population over one  
10 million five hundred thousand persons shall also designate a city, with  
11 a population over fifty thousand persons, whose representative shall  
12 serve as a nonvoting member of the board and who shall represent the  
13 geographic diversity of the county. The secretary of transportation,  
14 or the appropriate regional administrator of the department, as named  
15 by the secretary, shall serve on the authority as a nonvoting member.

16 (2) A county with a population over one million five hundred  
17 thousand persons or a county having a population over five hundred  
18 thousand persons adjoining a county with a population over one million  
19 five hundred thousand persons, and a county having a population over  
20 two hundred thirty thousand persons and whose boundaries abut three  
21 counties eligible to form an authority under this chapter, may create,  
22 by adoption of an ordinance of the county legislative authority, a  
23 regional transportation improvement authority.

24 (a) The boundaries of the authority must be contiguous with the  
25 boundaries of the county.

26 (b) The governing board consists of the members of the county  
27 legislative authority and the county executive, and if the county has  
28 not adopted a home rule charter, the county legislative authority, with  
29 all members acting ex officio and independently. The county executive,  
30 in the case of a home rule charter county, has a vote equal to that of  
31 a councilmember. A representative from the city having the greatest  
32 population in the authority and any other city within the authority  
33 that has a population greater than one hundred ten thousand persons are  
34 nonvoting members of the board. The executive of any county with a  
35 population over one million five hundred thousand persons shall also  
36 designate a city, with a population over fifty thousand persons, whose  
37 representative shall serve as a nonvoting member of the board and who  
38 shall represent the geographic diversity of the county. The secretary

1 of transportation, or the appropriate regional administrator of the  
2 department, as named by the secretary, shall serve on the authority as  
3 a nonvoting member.

4 (3) The members of the authority under this chapter will receive no  
5 compensation for serving on the board, but may be reimbursed for travel  
6 and incidental expenses as the authority deems appropriate.

7 (4) A regional transportation improvement authority may be entitled  
8 to state funding, as appropriated by the legislature, for start-up  
9 funding to pay for expenses incurred by the authority and through  
10 contracts with the regional transportation planning organization in  
11 selecting transportation projects under this chapter. Upon voter  
12 approval of a regional transportation improvement authority plan and  
13 revenue sources under section 106 of this act, the authority shall  
14 within one year reimburse the state for any sums advanced for these  
15 start-up costs from the state.

16 (5) The board shall conduct its affairs and formulate, with  
17 assistance from the appropriate regional transportation planning  
18 organization, a regional transportation improvement plan as provided  
19 under section 105 of this act.

20 (6) A regional transportation improvement authority may elect  
21 officers and provide for the adoption of rules and other operating  
22 procedures.

23 (7) Governance of and decisions by a regional transportation  
24 improvement authority must be by a sixty percent weighted majority vote  
25 of the board membership.

26 (8) The authority may dissolve itself at any time by a two-thirds  
27 weighted majority vote of the board membership.

28 NEW SECTION. **Sec. 105.** AUTHORITY DUTIES. (1) A regional  
29 transportation improvement authority board shall adopt a regional  
30 transportation improvement plan providing for the development,  
31 construction, and financing of transportation projects. The board  
32 shall use the prioritized list of projects provided to it by the  
33 regional transportation planning organization under section 103 of this  
34 act. It may change that priority list of projects for adoption in the  
35 plan by a vote of sixty percent of its weighted membership.

36 (2) The board may coordinate its activities with the regional  
37 transportation planning organization, which shall provide services,

1 data, and personnel to assist in this planning as requested by the  
2 board. In addition, the board may coordinate with the department of  
3 transportation and affected cities, towns, and other local governments  
4 that engage in transportation planning.

5 (3) The board shall:

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

8 (b) Adopt a plan:

9 (i) Ratifying the creation of the regional transportation  
10 improvement authority;

11 (ii) Identifying transportation improvement projects to be funded;

12 (iii) Recommending sources of revenue authorized by section 106 of  
13 this act and a financing plan to fund the transportation projects in  
14 the plan. The overall plan of the authority must leverage the  
15 authority's financial contributions so that in combination with  
16 federal, state, local, and other revenue sources, the plan is funded.  
17 The plan may include provisions for delaying the imposition of regional  
18 taxes and fees, or delay of projects identified in the plan, pending  
19 the financial participation of other parties necessary to accomplish  
20 the plan.

21 (4) The authority shall use the following criteria for selecting  
22 transportation improvement projects to improve transportation system  
23 performance:

24 (a) Reduced risk of transportation facility failure and improved  
25 safety;

26 (b) Improved travel time;

27 (c) Improved air quality;

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

29 (e) Improved modal connectivity;

30 (f) Improved freight mobility;

31 (g) Cost-effectiveness of the investment; and

32 (h) Other criteria, as adopted by the board with a sixty-percent  
33 majority of weighted votes.

34 (5) Before adopting the plan, the authority, with assistance from  
35 the department and other lead agencies, shall work with the lead agency  
36 to develop accurate cost estimates for transportation projects. This  
37 project costing methodology must be integrated with revenue forecasts  
38 in developing the financial plan and must at a minimum include

1 estimated project costs in current dollars as well as year of  
2 expenditure dollars, the range of project costs reflected by the level  
3 of project design, project contingencies, identification of mitigation  
4 costs, the range of revenue forecasts, and project and plan cash flow  
5 and bond analysis. The plan submitted to the voters must provide cost  
6 estimates for each project, including contingency costs. Plans  
7 submitted to the voters must provide that the maximum amount possible  
8 of the funds raised will be used to fund projects in the plan,  
9 including environmental improvements and mitigation, and that  
10 administrative costs be minimized. If actual revenue exceeds actual  
11 plan costs, the excess revenues must be used to retire any outstanding  
12 debt associated with the plan.

13 (6) The authority shall transmit the plan to the county legislative  
14 authority or authorities, which shall act within ninety days to adopt  
15 or not adopt the plan. In the case of a multicounty authority, if a  
16 county by ordinance with its county legislative authority opts not to  
17 adopt the plan or participate in the regional transportation  
18 improvement authority, but one or more contiguous counties do choose to  
19 continue to participate, then the authority may, within ninety days,  
20 redefine the regional transportation improvement plan and the ballot  
21 measure to be submitted to the people to reflect elimination of the  
22 county, and submit the redefined plan to the legislative authorities of  
23 the remaining counties for their decision as to whether to continue to  
24 adopt the redefined plan and participate. This action must be  
25 completed within sixty days after receipt of the redefined plan.

26 (7) Once adopted, the plan must be forwarded to the participating  
27 county legislative authorities or authority to initiate, through  
28 adoption of an ordinance, the election process under section 107 of  
29 this act. The authority shall at the same time provide notice to each  
30 city and town within the authority, the governor, the chairs of the  
31 transportation committees of the legislature, the secretary of  
32 transportation, and each legislator whose legislative district is  
33 partially or wholly within the boundaries of the authority.

34 (8) If the ballot measure is not approved, the board may redefine  
35 the selected transportation projects, financing plan, and the ballot  
36 measure. The county legislative authorities or authority may approve  
37 the new plan and ballot measure, and may then submit the revised  
38 proposition to the voters at the next election or a special election.

1        NEW SECTION.    **Sec. 106.**    TAXES, FEES, AND TOLLS.    (1) A regional  
2 transportation improvement authority planning committee may, as part of  
3 a regional transportation improvement plan, recommend the imposition of  
4 some or all of the following revenue sources, which a regional  
5 transportation improvement authority may impose upon approval of the  
6 voters as provided in this chapter:

7        (a) A regional sales and use tax, as specified in RCW 82.14.430, of  
8 up to 0.2 percent of the selling price, in the case of a sales tax, or  
9 value of the article used, in the case of a use tax, upon the  
10 occurrence of any taxable event in the regional transportation  
11 improvement authority. The purposes for which these tax rates may be  
12 imposed is limited as follows:

13        (i) 0.1 percent only for high-priority projects;

14        (ii) 0.1 percent only for public transportation purposes, commute  
15 trip reduction programs, or high-priority projects, or a combination  
16 thereof; but

17        (iii) Notwithstanding (a)(i) and (ii) of this subsection, any and  
18 all revenues derived from this tax may be pledged to general obligation  
19 bonds, other evidences of indebtedness, or pledging agreements under  
20 section 112 of this act, with or without any other taxes, fees, and  
21 tolls authorized to be imposed under this section. Expenditure of bond  
22 proceeds allocable to the regional sales and use tax imposed under this  
23 section is limited as described in (a)(i) and (ii) of this subsection.

24        (b) A local option vehicle license fee, as specified under RCW  
25 82.80.100, of up to one hundred dollars per vehicle registered in the  
26 authority. As used in this subsection, "vehicle" means motor vehicle  
27 as defined in RCW 46.04.320. Certain classes of vehicles, as defined  
28 under chapter 46.04 RCW, may be exempted from this fee;

29        (c) A parking tax under RCW 82.80.030;

30        (d) A local motor vehicle excise tax under RCW 81.100.060;

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

32        (f) A mileage charge under section 316 of this act;

33        (g) An employer excise tax under RCW 81.100.030; and

34        (h) With the approval of the transportation commission, or its  
35 successor, vehicle tolls on a local or regional arterial or state or  
36 federal highway within the boundaries of the authority. The plan must  
37 identify the facilities to be tolled and the purpose of the toll.  
38 Unless otherwise specified by law or contract, the department shall

1 administer the collection of vehicle tolls on designated facilities,  
2 and the state transportation commission, or its successor, shall be the  
3 tolling authority.

4 (2) Taxes, fees, and the authority to impose tolls may not be  
5 imposed without an affirmative vote of the majority of the voters  
6 within the boundaries of the authority voting on a ballot proposition  
7 as set forth in section 107 of this act. Revenues from these taxes and  
8 fees may be used only to implement the plan as set forth in this  
9 chapter. An authority may contract with the state department of  
10 revenue or other appropriate entities for administration and collection  
11 of any of the taxes or fees authorized in this section. In authorizing  
12 these revenue sources, it is the intent of the legislature to provide  
13 a range of options that can be tailored to meet the transportation  
14 needs identified by local elected officials, with voter approval.

15 (3) Existing statewide motor vehicle fuel and special fuel taxes,  
16 at the distribution rates in effect on January 1, 2005, are not  
17 intended to be altered by this chapter.

18 NEW SECTION. **Sec. 107.** SUBMISSION OF PLAN TO THE VOTERS. Two or  
19 more contiguous county legislative authorities under section 104(1) of  
20 this act and a county or county legislative authorities under section  
21 104(2) of this act, upon receipt of the regional transportation  
22 improvement plan under section 105 of this act, may, by adoption of an  
23 ordinance, submit to the voters of the proposed authority a single  
24 ballot measure that approves the regional transportation improvement  
25 plan, and approves the revenue sources necessary to finance the plan.  
26 The authority may draft the ballot measure on behalf of the county  
27 legislative authorities, and the county legislative authorities may  
28 give notice as required by law for ballot measures, and perform other  
29 duties as required to submit the measure to the voters of the proposed  
30 authority for their approval or rejection. The electorate will be the  
31 voters voting within the boundaries of the authority within the  
32 participating counties, or in the case of a single county, within the  
33 boundary of the county. A simple majority of the total persons voting  
34 on the single ballot measure is required for approval of the measure.

35 NEW SECTION. **Sec. 108.** FORMATION--CERTIFICATION. If the voters  
36 approve the plan, including imposition of taxes and fees, the authority

1 will be declared fully operative. The county election officials of  
2 participating counties shall, within fifteen days of the final  
3 certification of the election results, publish a notice in a newspaper  
4 or newspapers of general circulation in the authority declaring the  
5 authority formed, and mail copies of the notice to the governor, the  
6 secretary of transportation, and the executive director of the regional  
7 transportation planning organization in which any part of the authority  
8 is located. A party challenging the procedure or the formation of a  
9 voter-approved authority must file the challenge in writing by serving  
10 the prosecuting attorney of the participating counties and the attorney  
11 general within thirty days after the final certification of the  
12 election. Failure to challenge within that time forever bars further  
13 challenge of the authority's valid formation.

14 NEW SECTION. **Sec. 109.** GOVERNING BOARD--ORGANIZATION. The board  
15 shall adopt rules for the conduct of business. The board shall adopt  
16 bylaws to govern authority affairs, which may include:

- 17 (1) The time and place of regular meetings;  
18 (2) Rules for calling special meetings;  
19 (3) The method of keeping records of proceedings and official acts;  
20 (4) Procedures for the safekeeping and disbursement of funds; and  
21 (5) Any other provisions the board finds necessary to include.

22 NEW SECTION. **Sec. 110.** GOVERNING BOARD--POWERS AND DUTIES--  
23 INTENT. (1) The governing board of the authority is responsible for  
24 the execution of the voter-approved plan. The board shall:

- 25 (a) Impose taxes and fees authorized by authority voters;  
26 (b) Enter into agreements with state, local, and regional agencies  
27 and departments as necessary to accomplish authority purposes and  
28 protect the authority's investment in transportation projects;  
29 (c) Accept and expend gifts, grants, or other contributions of  
30 funds that will support the purposes and programs of the authority;  
31 (d) Monitor and audit the progress and execution of transportation  
32 projects to protect the investment of the public and annually make  
33 public its findings;  
34 (e) Pay for services and enter into leases and contracts, including  
35 professional service contracts;

1 (f) Contract with an existing agency or hire a limited staff to  
2 administer and provide oversight of contracts to implement the plan;  
3 and

4 (g) Exercise other powers and duties as may be reasonable to carry  
5 out the purposes of the authority.

6 (2) It is the intent of the legislature that existing staff  
7 resources of lead agencies be used in implementing this chapter. An  
8 authority may coordinate its activities with the department, which  
9 shall provide services, data, and personnel to assist as desired by the  
10 regional transportation improvement authority. Lead agencies for  
11 transportation projects that are not state facilities shall also  
12 provide staff support for the board.

13 (3) An authority may not acquire, hold, or dispose of real  
14 property.

15 (4) An authority may not own, operate, or maintain an ongoing  
16 facility, road, or transportation system.

17 (5) It is the intent of the legislature that administrative and  
18 overhead costs of a regional transportation improvement authority be  
19 minimized.

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

28 NEW SECTION. **Sec. 111.** TREASURER. The regional transportation  
29 improvement authority, by resolution, shall designate a person having  
30 experience in financial or fiscal matters as treasurer of the  
31 authority. The authority may designate the treasurer of a county  
32 within which the authority is located to act as its treasurer. Such a  
33 treasurer has all of the powers, responsibilities, and duties the  
34 county treasurer has related to investing surplus funds. The authority  
35 shall require a bond with a surety company authorized to do business in  
36 this state in an amount and under the terms and conditions the

1 authority, by resolution, from time to time finds will protect the  
2 authority against loss. The authority shall pay the premium on the  
3 bond.

4 In addition to the account established in section 301 of this act,  
5 the treasurer may establish a special account, into which may be paid  
6 authority funds. The treasurer may disburse authority funds only on  
7 warrants issued by the authority upon orders or vouchers approved by  
8 the authority.

9 If the treasurer of the authority is the treasurer of a county, all  
10 authority funds must be deposited with a county depository under the  
11 same restrictions, contracts, and security as provided for county  
12 depositories. If the treasurer of the authority is some other person,  
13 all funds must be deposited in a bank or banks authorized to do  
14 business in this state qualified for insured deposits under any federal  
15 deposit insurance act as the authority, by resolution, designates.

16 The authority may provide and require a reasonable bond of any  
17 other person handling moneys or securities of the authority, but the  
18 authority shall pay the premium on the bond.

19 NEW SECTION. **Sec. 112.** INDEBTEDNESS--BONDS--LIMITATION. (1)(a)  
20 Notwithstanding RCW 39.36.020(1), the authority may at any time  
21 contract indebtedness or borrow money for authority purposes and may  
22 issue general obligation bonds or other evidences of indebtedness,  
23 secured by the pledge of one or more of the taxes, tolls, charges, or  
24 fees authorized to be imposed by the authority, in an amount not  
25 exceeding, together with any existing indebtedness of the authority not  
26 authorized by the voters, one and one-half percent of the value of the  
27 taxable property within the boundaries of the authority.

28 (b) With the approval of three-fifths of the voters voting at an  
29 election, an authority may contract indebtedness or borrow money for  
30 authority purposes and may issue general obligation bonds or other  
31 evidences of indebtedness as long as the total indebtedness of the  
32 authority does not exceed five percent of the value of the taxable  
33 property within the authority, including indebtedness authorized under  
34 (a) of this subsection. The bonds must be issued and sold in  
35 accordance with chapter 39.46 RCW.

36 (2) The authority may at any time issue revenue bonds or other  
37 evidences of indebtedness, secured by the pledge of one or more of the

1 revenues authorized to be collected by the authority, to provide funds  
2 to carry out its authorized functions without submitting the matter to  
3 the voters of the authority. These obligations must be issued and sold  
4 in accordance with chapter 39.46 RCW.

5 (3) The authority may enter into agreements with the lead agencies  
6 or the state of Washington, when authorized by the plan, to pledge  
7 taxes or other revenues of the authority for the purpose of paying in  
8 part or whole principal and interest on bonds issued by the lead agency  
9 or the state of Washington. The agreements pledging revenues and taxes  
10 are binding for their terms, and no tax pledged by an agreement may be  
11 eliminated or modified if it would impair the pledge made in any  
12 agreement. The term of the bonds may not exceed thirty years.

13 (4) Once construction of capital projects in the plan has been  
14 completed, revenues collected by the authority may only be used for the  
15 following purposes: (a) Payment of principal and interest on  
16 outstanding indebtedness of the authority; (b) to make payments  
17 required under a pledging agreement; (c) to make payments for  
18 maintenance and operations of toll facilities as may be required by  
19 toll bond covenants; and (d) to continue other programs as defined in  
20 the plan.

21 NEW SECTION. **Sec. 113.** TRANSPORTATION PROJECT OR PLAN  
22 MODIFICATION. The board may modify the plan to change transportation  
23 projects or revenue sources in the following manner:

24 (1) The board adopts a resolution to modify the plan and the  
25 counties submit to the voters in the authority, in the same manner as  
26 provided for in section 107 of this act, a ballot measure that  
27 redefines the scope of the plan, its projects, its schedule, its costs,  
28 or the revenue sources; or

29 (2) The board, with a minimum seventy-five percent majority of the  
30 weighted votes of the board, redefines the scope of the plan, its  
31 projects, its schedule, or its costs.

32 NEW SECTION. **Sec. 114.** TRANSPORTATION PLAN ACCOUNTABILITY. (1)  
33 The board shall develop a material change policy to address major plan  
34 changes that affect project delivery or the ability to finance the  
35 plan. The policy must at least address material changes to cost,  
36 scope, and schedule, the level of change that will require board

1 involvement, and how the board will address those changes as provided  
2 for in this chapter, including when section 113 of this act will be  
3 invoked.

4 (2) To assure accountability to the public for the timely  
5 accomplishment of the transportation improvement project or projects  
6 within scope and cost projections, the authority shall issue a report,  
7 at least annually, to the public and copies of the report to newspapers  
8 of record in the authority. In the report, the authority shall  
9 indicate the status of transportation project costs, transportation  
10 project expenditures, revenues, and construction schedules. The report  
11 must also include an explanation of the material change policy and  
12 actions taken thereon and may also include progress towards meeting the  
13 performance criteria provided under this chapter.

14 NEW SECTION. **Sec. 115.** OWNERSHIP OF IMPROVEMENTS. Any  
15 improvement to a facility constructed, improved, or operated under this  
16 chapter becomes and remains the property of the lead agency unless  
17 otherwise provided for.

18 NEW SECTION. **Sec. 116.** DISSOLUTION OF AUTHORITY. Within thirty  
19 days of the completion of the construction of the transportation  
20 project or series of projects forming the regional transportation  
21 improvement plan, the authority shall reduce day-to-day operations and  
22 exist solely as a limited entity that oversees the collection of  
23 revenue and the payment of debt service or financing still in effect,  
24 if any and the payment of ongoing operations of facilities as set forth  
25 in the plan. At least one year before the time that capital debt  
26 service on transportation projects is completed, the authority shall  
27 develop a plan, including a finance plan, for ongoing project  
28 operation, and the plan must be submitted by member counties to the  
29 voters in the authority. If there is no debt outstanding and there is  
30 no ongoing project operation, then the authority shall dissolve within  
31 thirty days from completion of construction of the transportation  
32 project or series of transportation projects forming the regional  
33 transportation improvement plan. Notice of dissolution must be  
34 published in newspapers of general circulation within the authority at  
35 least three times in a period of thirty days. Creditors must file

1 claims for payment of claims due within thirty days of the last  
2 published notice or the claim is extinguished.

3 NEW SECTION. **Sec. 117.** WASHINGTON STATE DEPARTMENT OF  
4 TRANSPORTATION ROLE. (1) The department shall provide staff and  
5 services to assist authorities under this chapter. The primary  
6 responsibility of the dedicated staff is to coordinate the design,  
7 preliminary engineering, permitting, financing, and construction of  
8 projects in which the state has a role and are under consideration by  
9 an authority or are contained in the authority's plan.

10 (2) All of the powers granted the department under Title 47 RCW  
11 relating to highway construction may, at the request of an authority  
12 participating in a plan, be used to implement a regional transportation  
13 improvement plan and construct transportation projects.

14 NEW SECTION. **Sec. 118.** A new section is added to chapter 47.80  
15 RCW to read as follows:

16 RTPO SUPPORT FOR REGIONAL TRANSPORTATION IMPROVEMENT PLAN. At the  
17 request of a county or a group of counties, a regional transportation  
18 planning organization shall develop and provide a prioritized list of  
19 projects for inclusion in a regional transportation improvement plan,  
20 as provided for in section 103 of this act and provide other services  
21 for a regional transportation improvement authority as provided for in  
22 chapter 36.-- RCW (sections 101 through 117 of this act).

23 **PART II**  
24 **JOINT BALLOT WITH RTA**

25 NEW SECTION. **Sec. 201.** JOINT BALLOT MEASURE. At the option of  
26 the regional transportation improvement authority board, and with the  
27 explicit approval of the regional transit authority, the participating  
28 counties or, in the case of a single-county authority, the county may  
29 choose to impose any remaining high-capacity transportation taxes under  
30 chapter 81.104 RCW that have not otherwise been used by a regional  
31 transit authority and submit to the voters a common ballot measure that  
32 creates the authority, approves the regional transportation improvement  
33 plan, implements the taxes, and implements any remaining high-capacity  
34 transportation taxes within the boundaries of the regional

1 transportation improvement authority. Collection and expenditures of  
2 any high-capacity transportation taxes implemented under this section  
3 must be determined by agreement between the participating authority or  
4 authorities and the regional transit authority electing to submit high-  
5 capacity transportation taxes to the voters under a common ballot  
6 measure as provided in this section. If the measure fails, all such  
7 unused high-capacity transportation taxes revert back to and remain  
8 with the regional transit authority.

9 **Sec. 202.** RCW 81.104.140 and 2002 c 56 s 202 are each amended to  
10 read as follows:

11 (1) Agencies authorized to provide high capacity transportation  
12 service, including transit agencies and regional transit authorities,  
13 and regional transportation (~~(investment districts)~~) improvement  
14 authorities acting with the agreement of an agency, are hereby granted  
15 dedicated funding sources for such systems. These dedicated funding  
16 sources, as set forth in RCW 81.104.150, 81.104.160, and 81.104.170,  
17 are authorized only for agencies located in (a) each county with a  
18 population of two hundred ten thousand or more and (b) each county with  
19 a population of from one hundred twenty-five thousand to less than two  
20 hundred ten thousand except for those counties that do not border a  
21 county with a population as described under (a) of this subsection. In  
22 any county with a population of one million or more or in any county  
23 having a population of four hundred thousand or more bordering a county  
24 with a population of one million or more, these funding sources may be  
25 imposed only by a regional transit authority or a regional  
26 transportation (~~(investment district)~~) improvement authority. Regional  
27 transportation (~~(investment districts)~~) improvement authorities may,  
28 with the approval of the regional transit authority wholly or partly  
29 within its boundaries, impose the taxes authorized under this chapter,  
30 but only upon approval of the voters and to the extent that the maximum  
31 amount of taxes authorized under this chapter have not been imposed.

32 (2) Agencies planning to construct and operate a high capacity  
33 transportation system should also seek other funds, including federal,  
34 state, local, and private sector assistance.

35 (3) Funding sources should satisfy each of the following criteria  
36 to the greatest extent possible:

37 (a) Acceptability;

- 1 (b) Ease of administration;
- 2 (c) Equity;
- 3 (d) Implementation feasibility;
- 4 (e) Revenue reliability; and
- 5 (f) Revenue yield.

6 (4) Agencies participating in regional high capacity transportation  
7 system development are authorized to levy and collect the following  
8 voter-approved local option funding sources:

9 (a) Employer tax as provided in RCW 81.104.150, other than by  
10 regional transportation investment districts; and

11 (b) (~~Special motor vehicle excise tax as provided in RCW~~  
12 ~~81.104.160; and~~

13 ~~(e)~~) Sales and use tax as provided in RCW 81.104.170.

14 Revenues from these taxes may be used only to support those  
15 purposes prescribed in subsection (10) of this section. Before the  
16 date of an election authorizing an agency to impose any of the taxes  
17 enumerated in this section and authorized in RCW 81.104.150,  
18 81.104.160, and 81.104.170, the agency must comply with the process  
19 prescribed in RCW 81.104.100 (1) and (2) and 81.104.110. No  
20 construction on exclusive right of way may occur before the  
21 requirements of RCW 81.104.100(3) are met.

22 (5) Authorization in subsection (4) of this section shall not  
23 adversely affect the funding authority of transit agencies not provided  
24 for in this chapter. Local option funds may be used to support  
25 implementation of interlocal agreements with respect to the  
26 establishment of regional high capacity transportation service. Except  
27 when a regional transit authority exists, local jurisdictions shall  
28 retain control over moneys generated within their boundaries, although  
29 funds may be commingled with those generated in other areas for  
30 planning, construction, and operation of high capacity transportation  
31 systems as set forth in the agreements.

32 (6) Agencies planning to construct and operate high capacity  
33 transportation systems may contract with the state for collection and  
34 transference of voter-approved local option revenue.

35 (7) Dedicated high capacity transportation funding sources  
36 authorized in RCW 81.104.150, 81.104.160, and 81.104.170 shall be  
37 subject to voter approval by a simple majority. A single ballot

1 proposition may seek approval for one or more of the authorized taxing  
2 sources. The ballot title shall reference the document identified in  
3 subsection (8) of this section.

4 (8) Agencies shall provide to the registered voters in the area a  
5 document describing the systems plan and the financing plan set forth  
6 in RCW 81.104.100. It shall also describe the relationship of the  
7 system to regional issues such as development density at station  
8 locations and activity centers, and the interrelationship of the system  
9 to adopted land use and transportation demand management goals within  
10 the region. This document shall be provided to the voters at least  
11 twenty days prior to the date of the election.

12 (9) For any election in which voter approval is sought for a high  
13 capacity transportation system plan and financing plan pursuant to RCW  
14 81.104.040, a local voter's pamphlet shall be produced as provided in  
15 chapter ((29.81A)) 29A.32 RCW.

16 (10) Agencies providing high capacity transportation service shall  
17 retain responsibility for revenue encumbrance, disbursement, and  
18 bonding. Funds may be used for any purpose relating to planning,  
19 construction, and operation of high capacity transportation systems and  
20 commuter rail systems, personal rapid transit, busways, bus sets, and  
21 entrained and linked buses.

22 **PART III**  
23 **FINANCE**

24 NEW SECTION. **Sec. 301.** REGIONAL TRANSPORTATION IMPROVEMENT  
25 AUTHORITY ACCOUNT. The regional transportation improvement authority  
26 account is created in the custody of the state treasurer. The purpose  
27 of this account is to act as an account into which may be deposited  
28 state money, if any, that may only be used in conjunction with an  
29 authority's money to fund transportation projects. Additionally, an  
30 authority may deposit funds into this account for disbursement, as  
31 appropriate, on transportation projects. Nothing in this section  
32 requires any state matching money. All money deposited in the regional  
33 transportation improvement authority account will be used for design,  
34 right of way acquisition, capital acquisition, construction, and  
35 operation, or for the payment of debt service associated with these  
36 activities, for regionally funded transportation projects developed

1 under this chapter. Only an authority may authorize expenditures from  
2 the account. The account is subject to allotment procedures under  
3 chapter 43.88 RCW. An appropriation is not required for expenditures  
4 from this account.

5 **Sec. 302.** RCW 81.100.030 and 2002 c 56 s 410 are each amended to  
6 read as follows:

7 EMPLOYER TAX. (1) A county with a population of one million or  
8 more, or a county with a population of from two hundred ten thousand to  
9 less than one million that is adjoining a county with a population of  
10 one million or more, and having within its boundaries existing or  
11 planned high-occupancy vehicle lanes on the state highway system, or a  
12 regional transportation ~~((investment district for capital  
13 improvements))~~ improvement authority, but only to the extent that the  
14 tax has not already been imposed by the county, may, with voter  
15 approval impose an excise tax of up to two dollars per employee per  
16 month on all employers or any class or classes of employers, public and  
17 private, including the state located in the agency's jurisdiction,  
18 measured by the number of full-time equivalent employees. In no event  
19 may the total taxes imposed under this section exceed two dollars per  
20 employee per month for any single employer. The county or ~~((investment  
21 district))~~ improvement authority imposing the tax authorized in this  
22 section may provide for exemptions from the tax to such educational,  
23 cultural, health, charitable, or religious organizations as it deems  
24 appropriate.

25 Counties or ~~((investment districts))~~ improvement authorities may  
26 contract with the state department of revenue or other appropriate  
27 entities for administration and collection of the tax. Such contract  
28 shall provide for deduction of an amount for administration and  
29 collection expenses.

30 (2) The tax shall not apply to employment of a person when the  
31 employer has paid for at least half of the cost of a transit pass  
32 issued by a transit agency for that employee, valid for the period for  
33 which the tax would otherwise be owed.

34 (3) A county or ~~((investment district))~~ improvement authority shall  
35 adopt rules that exempt from all or a portion of the tax any employer  
36 that has entered into an agreement with the county or ~~((investment  
37 district))~~ improvement authority that is designed to reduce the

1 proportion of employees who drive in single-occupant vehicles during  
2 peak commuting periods in proportion to the degree that the agreement  
3 is designed to meet the goals for the employer's location adopted under  
4 RCW 81.100.040.

5 The agreement shall include a list of specific actions that the  
6 employer will undertake to be entitled to the exemption. Employers  
7 having an exemption from all or part of the tax through this subsection  
8 shall annually certify to the county or ((~~investment district~~))  
9 improvement authority that the employer is fulfilling the terms of the  
10 agreement. The exemption continues as long as the employer is in  
11 compliance with the agreement.

12 If the tax authorized in RCW 81.100.060 is also imposed, the total  
13 proceeds from both tax sources each year shall not exceed the maximum  
14 amount which could be collected under RCW 81.100.060.

15 **Sec. 303.** RCW 81.100.060 and 2002 c 56 s 411 are each amended to  
16 read as follows:

17 MVET--COUNTY HOV AND IMPROVEMENT AUTHORITIES. A county with a  
18 population of one million or more and a county with a population of  
19 from two hundred ten thousand to less than one million that is  
20 adjoining a county with a population of one million or more, having  
21 within their boundaries existing or planned high-occupancy vehicle  
22 lanes on the state highway system, or a regional transportation  
23 ((~~investment district for capital improvements~~)) improvement authority,  
24 but only to the extent that the surcharge has not already been imposed  
25 by the county, may, with voter approval, impose a local surcharge of  
26 not more than three-tenths of one percent in the case of a county, or  
27 six-tenths of one percent in the case of an authority of the value on  
28 vehicles registered to a person residing within the county or  
29 improvement authority and not more than 13.64 percent on the state  
30 sales and use taxes paid under the rate in RCW 82.08.020(2) on retail  
31 car rentals within the county or ((~~investment district~~)) improvement  
32 authority. A county may impose the surcharge only to the extent that  
33 it has not been imposed by the ((~~district~~)) improvement authority. No  
34 surcharge may be imposed on vehicles licensed under RCW 46.16.070  
35 except vehicles with an unladen weight of six thousand pounds or less,  
36 RCW 46.16.079, 46.16.085, or 46.16.090.

1 Counties or (~~investment districts~~) improvement authorities  
2 imposing a tax under this section shall contract, before the effective  
3 date of the resolution or ordinance imposing a surcharge,  
4 administration and collection to the state department of licensing, and  
5 department of revenue, as appropriate, which shall deduct an amount, as  
6 provided by contract, for administration and collection expenses  
7 incurred by the department. All administrative provisions in chapters  
8 82.03, 82.32, and 82.44 RCW shall, insofar as they are applicable to  
9 motor vehicle excise taxes, be applicable to surcharges imposed under  
10 this section. All administrative provisions in chapters 82.03, 82.08,  
11 82.12, and 82.32 RCW shall, insofar as they are applicable to state  
12 sales and use taxes, be applicable to surcharges imposed under this  
13 section.

14 If the tax authorized in RCW 81.100.030 is also imposed, the total  
15 proceeds from tax sources imposed under this section and RCW 81.100.030  
16 each year shall not exceed the maximum amount which could be collected  
17 under this section.

18 **Sec. 304.** RCW 81.100.080 and 1990 c 43 s 19 are each amended to  
19 read as follows:

20 MVET--USES. Funds collected under RCW 81.100.030 or 81.100.060 and  
21 any investment earnings accruing thereon shall be used by the county or  
22 the regional transportation improvement authority in a manner  
23 consistent with the regional transportation plan only for costs of  
24 collection, costs of preparing, adopting, and enforcing agreements  
25 under RCW 81.100.030(3), for construction of high occupancy vehicle  
26 lanes and related facilities, mitigation of environmental concerns that  
27 result from construction or use of high occupancy vehicle lanes and  
28 related facilities, by an improvement authority for projects contained  
29 in a plan developed under chapter 36.-- RCW (sections 101 through 117  
30 of this act), payment of principal and interest on bonds issued for the  
31 purposes of this section, for high occupancy vehicle programs as  
32 defined in RCW 81.100.020(5), and for commuter rail projects in  
33 accordance with RCW 81.104.120. Except for funds raised by a regional  
34 transportation improvement authority, no funds collected under RCW  
35 81.100.030 or 81.100.060 after June 30, 2000, may be pledged for the  
36 payment or security of the principal or interest on any bonds issued

1 for the purposes of this section. Not more than ten percent of the  
2 funds may be used for transit agency high occupancy vehicle programs.

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

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

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

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

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

15 Counties and regional transportation improvement authorities may  
16 contract with cities or the state department of transportation for  
17 construction of high occupancy vehicle lanes and related facilities,  
18 and may issue general obligation bonds to fund such construction and  
19 use funds received under this chapter to pay the principal and interest  
20 on such bonds.

21 **Sec. 305.** RCW 82.14.430 and 2002 c 56 s 405 are each amended to  
22 read as follows:

23 SALES TAX. (1) If approved by the majority of the voters within  
24 its boundaries voting on the ballot proposition, a regional  
25 transportation ~~((investment district))~~ improvement authority may impose  
26 a sales and use tax of up to ~~((0.5))~~ 0.2 percent of the selling price  
27 or value of the article used in the case of a use tax. The tax  
28 authorized by this section is in addition to the tax authorized by RCW  
29 82.14.030 and must be collected from those persons who are taxable by  
30 the state under chapters 82.08 and 82.12 RCW upon the occurrence of any  
31 taxable event within the taxing district. Motor vehicles are exempt  
32 from the sales and use tax imposed under this subsection.

33 (2) If approved by the majority of the voters within its boundaries  
34 voting on the ballot proposition, a regional transportation  
35 ~~((investment district))~~ improvement authority may impose a tax on the  
36 use of a motor vehicle within a regional transportation ~~((investment  
37 district))~~ improvement authority. The tax applies to those persons who

1 reside within the regional transportation (~~investment district~~)  
2 improvement authority. The rate of the tax may not exceed (~~0.5~~) 0.2  
3 percent of the value of the motor vehicle. The tax authorized by this  
4 subsection is in addition to the tax authorized under RCW 82.14.030 and  
5 must be imposed and collected at the time a taxable event under RCW  
6 82.08.020(1) or 82.12.020 takes place. All revenue received under this  
7 subsection must be deposited in the local sales and use tax account and  
8 distributed to the regional transportation (~~investment district~~)  
9 improvement authority according to RCW 82.14.050. The following  
10 provisions apply to the use tax in this subsection:

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

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

16 (c) "Motor vehicle" has the meaning provided in RCW 46.04.320, but  
17 does not include farm tractors or farm vehicles as defined in RCW  
18 46.04.180 and 46.04.181, off-road and nonhighway vehicles as defined in  
19 RCW 46.09.020, and snowmobiles as defined in RCW 46.10.010.

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

21 (e) The value of a motor vehicle must be determined under RCW  
22 82.12.010.

23 (f) Except as specifically stated in this subsection (2), chapters  
24 82.12 and 82.32 RCW apply to the use tax. The use tax is a local tax  
25 imposed under the authority of chapter 82.14 RCW, and chapter 82.14 RCW  
26 applies fully to the use tax.

27 **Sec. 306.** RCW 82.80.005 and 2002 c 56 s 415 are each amended to  
28 read as follows:

29 "AUTHORITY" DEFINED. For the purposes of this chapter,  
30 "~~(district)~~ authority" means a regional transportation (~~investment~~  
31 ~~district~~) improvement authority created (~~under chapter 36.120 RCW~~)  
32 in chapter 36.-- RCW (sections 101 through 117 of this act).

33 **Sec. 307.** RCW 82.80.010 and 2003 c 350 s 1 are each amended to  
34 read as follows:

35 FUEL TAX--COUNTY. (1) For purposes of this section:

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

5 (b) "Person" has the same meaning as in RCW 82.04.030.

6 (2) Subject to the conditions of this section, any county may levy,  
7 by approval of its legislative body and a majority of the registered  
8 voters of the county voting on the proposition at a general or special  
9 election, additional excise taxes equal to ten percent of the statewide  
10 motor vehicle fuel tax rate under RCW 82.36.025 on each gallon of motor  
11 vehicle fuel as defined in RCW 82.36.010 and on each gallon of special  
12 fuel as defined in RCW 82.38.020 sold within the boundaries of the  
13 county. Vehicles paying an annual license fee under RCW 82.38.075 are  
14 exempt from the county fuel excise tax. An election held under this  
15 section must be held not more than twelve months before the date on  
16 which the proposed tax is to be levied. The ballot setting forth the  
17 proposition shall state the tax rate that is proposed. The county's  
18 authority to levy additional excise taxes under this section includes  
19 the incorporated and unincorporated areas of the county. The  
20 additional excise taxes are subject to the same exceptions and rights  
21 of refund as applicable to other motor vehicle fuel and special fuel  
22 excise taxes levied under chapters 82.36 and 82.38 RCW. The proposed  
23 tax shall not be levied less than one month from the date the election  
24 results are certified by the county election officer. The commencement  
25 date for the levy of any tax under this section shall be the first day  
26 of January, April, July, or October.

27 (3) The local option motor vehicle fuel tax on each gallon of motor  
28 vehicle fuel and on each gallon of special fuel is imposed upon the  
29 distributor of the fuel.

30 (4) A taxable event for the purposes of this section occurs upon  
31 the first distribution of the fuel within the boundaries of a county to  
32 a retail outlet, bulk fuel user, or ultimate user of the fuel.

33 (5) All administrative provisions in chapters 82.01, 82.03, and  
34 82.32 RCW, insofar as they are applicable, apply to local option fuel  
35 taxes imposed under this section.

36 (6) Before the effective date of the imposition of the fuel taxes  
37 under this section, a county shall contract with the department of  
38 revenue for the administration and collection of the taxes. The

1 contract must provide that a percentage amount, not to exceed one  
2 percent of the taxes imposed under this section, will be deposited into  
3 the local tax administration account created in the custody of the  
4 state treasurer. The department of revenue may spend money from this  
5 account, upon appropriation, for the administration of the local taxes  
6 imposed under this section.

7 (7) The state treasurer shall distribute monthly to the levying  
8 county and cities contained therein the proceeds of the additional  
9 excise taxes collected under this section, after the deductions for  
10 payments and expenditures as provided in RCW 46.68.090(1) (a) and (b)  
11 and under the conditions and limitations provided in RCW 82.80.080.

12 (8) The proceeds of the additional excise taxes levied under this  
13 section shall be used strictly for transportation purposes in  
14 accordance with RCW 82.80.070.

15 (9) A county may not levy the tax under this section if they are  
16 levying the tax in RCW 82.80.110 or if they are a member of a regional  
17 transportation (~~investment district~~) improvement authority levying  
18 the tax in RCW 82.80.120.

19 **Sec. 308.** RCW 82.80.030 and 2002 c 56 s 412 are each amended to  
20 read as follows:

21 COMMERCIAL PARKING TAX. (1) Subject to the conditions of this  
22 section, the legislative authority of a county, city, or (~~district~~)  
23 authority may fix and impose a parking tax on all persons engaged in a  
24 commercial parking business within its respective jurisdiction. A city  
25 or county may impose the tax only to the extent that it has not been  
26 imposed by the (~~district~~) authority, and (~~a district~~) an authority  
27 may impose the tax only to the extent that it has not been imposed by  
28 a city or county. The jurisdiction of a county, for purposes of this  
29 section, includes only the unincorporated area of the county. The  
30 jurisdiction of a city or (~~district~~) authority includes only the area  
31 within its boundaries.

32 (2) In lieu of the tax in subsection (1) of this section, a city,  
33 a county in its unincorporated area, or (~~a district~~) an authority may  
34 fix and impose a tax for the act or privilege of parking a motor  
35 vehicle in a facility operated by a commercial parking business.

36 The city, county, or (~~district~~) authority may provide that:

37 (a) The tax is paid by the operator or owner of the motor vehicle;

1 (b) The tax applies to all parking for which a fee is paid, whether  
2 paid or leased, including parking supplied with a lease of  
3 nonresidential space;

4 (c) The tax is collected by the operator of the facility and  
5 remitted to the city, county, or (~~district~~) authority;

6 (d) The tax is a fee per vehicle or is measured by the parking  
7 charge;

8 (e) The tax rate varies with zoning or location of the facility,  
9 the duration of the parking, the time of entry or exit, the type or use  
10 of the vehicle, or other reasonable factors; and

11 (f) Tax exempt carpools, vehicles with handicapped decals, or  
12 government vehicles are exempt from the tax.

13 (3) "Commercial parking business" as used in this section, means  
14 the ownership, lease, operation, or management of a commercial parking  
15 lot in which fees are charged. "Commercial parking lot" means a  
16 covered or uncovered area with stalls for the purpose of parking motor  
17 vehicles.

18 (4) The rate of the tax under subsection (1) of this section may be  
19 based either upon gross proceeds or the number of vehicle stalls  
20 available for commercial parking use. The rates charged must be  
21 uniform for the same class or type of commercial parking business.

22 (5) The county, city, or (~~district~~) authority levying the tax  
23 provided for in subsection (1) or (2) of this section may provide for  
24 its payment on a monthly, quarterly, or annual basis. Each local  
25 government may develop by ordinance or resolution rules for  
26 administering the tax, including provisions for reporting by commercial  
27 parking businesses, collection, and enforcement.

28 (6) The proceeds of the commercial parking tax fixed and imposed by  
29 a city or county under subsection (1) or (2) of this section shall be  
30 used strictly for transportation purposes in accordance with RCW  
31 82.80.070. The proceeds of the parking tax imposed by (~~a district~~)  
32 an authority must be used as provided in chapter (~~36.120~~) 36.-- RCW  
33 (sections 101 through 117 of this act).

34 **Sec. 309.** RCW 82.80.070 and 2002 c 56 s 413 are each amended to  
35 read as follows:

36 LOCAL OPTION TAXES--USES. (1) The proceeds collected pursuant to  
37 the exercise of the local option authority of RCW 82.80.010, 82.80.020,

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

14 (2) The local option transportation revenues shall be expended for  
15 transportation uses consistent with the adopted transportation and land  
16 use plans of the jurisdiction expending the funds and consistent with  
17 any applicable and adopted regional transportation plan for  
18 metropolitan planning areas.

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

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

26 (b) The program shall be based on an adopted transportation plan  
27 for the geographic areas covered and shall identify the proposed  
28 operation and construction of transportation improvements and services  
29 in the designated plan area intended to be funded in whole or in part  
30 by local option transportation revenues and shall identify the annual  
31 costs applicable to the program.

32 (c) The program shall indicate how the local transportation plan is  
33 coordinated with applicable transportation plans for the region and for  
34 adjacent jurisdictions.

35 (d) The program shall include at least a six-year funding plan,  
36 updated annually, identifying the specific public and private sources  
37 and amounts of revenue necessary to fund the program. The program  
38 shall include a proposed schedule for construction of projects and

1 expenditure of revenues. The funding plan shall consider the  
2 additional local tax revenue estimated to be generated by new  
3 development within the plan area if all or a portion of the additional  
4 revenue is proposed to be earmarked as future appropriations for  
5 transportation improvements in the program.

6 (4) Local governments with a population greater than eight thousand  
7 exercising the authority for local option transportation funds shall  
8 periodically review and update their transportation program to ensure  
9 that it is consistent with applicable local and regional transportation  
10 and land use plans and within the means of estimated public and private  
11 revenue available.

12 (5) In the case of expenditure for new or expanded transportation  
13 facilities, improvements, and services, priorities in the use of local  
14 option transportation revenues shall be identified in the  
15 transportation program and expenditures shall be made based upon the  
16 following criteria, which are stated in descending order of weight to  
17 be attributed:

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

19 (b) Second, it is necessitated by existing or reasonably  
20 foreseeable congestion;

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

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

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

28 (6) It is the intent of the legislature that as a condition of  
29 levying, receiving, and expending local option transportation revenues,  
30 no local government agency use the revenues to replace, divert, or loan  
31 any revenues currently being used for transportation purposes to  
32 nontransportation purposes. (~~The association of Washington cities and  
33 the Washington state association of counties, in consultation with the  
34 legislative transportation committee, shall study the issue of  
35 nondiversion and make recommendations to the legislative transportation  
36 committee for language implementing the intent of this section by  
37 December 1, 1990.~~)

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

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

9 (9) Subsections (1) through (8) of this section do not apply to a  
10 regional transportation (~~(investment district)~~) improvement authority  
11 imposing a tax or fee under the local option authority of this chapter.  
12 Proceeds collected under the exercise of local option authority under  
13 this chapter by (~~a district~~) an authority must be used in accordance  
14 with chapter (~~36.120~~) 36.-- RCW (sections 101 through 117 of this  
15 act).

16 **Sec. 310.** RCW 82.80.080 and 2002 c 56 s 414 are each amended to  
17 read as follows:

18 DISTRIBUTION OF TAXES. (1) The state treasurer shall distribute  
19 revenues, less authorized deductions, generated by the local option  
20 taxes authorized in RCW 82.80.010 and 82.80.020, levied by counties to  
21 the levying counties, and cities contained in those counties, based on  
22 the relative per capita population. County population for purposes of  
23 this section is equal to one and one-half of the unincorporated  
24 population of the county. In calculating the distributions, the state  
25 treasurer shall use the population estimates prepared by the state  
26 office of financial management and shall further calculate the  
27 distribution based on information supplied by the departments of  
28 licensing and revenue, as appropriate.

29 (2) The state treasurer shall distribute revenues, less authorized  
30 deductions, generated by the local option taxes authorized in RCW  
31 82.80.010 and 82.80.020 levied by qualifying cities and towns to the  
32 levying cities and towns.

33 (3) The state treasurer shall distribute to the district revenues,  
34 less authorized deductions, generated by the local option taxes under  
35 RCW 82.80.010 or fees under RCW 82.80.100 levied by (~~a district~~) an  
36 authority.

1       **Sec. 311.** RCW 82.80.100 and 2002 c 56 s 408 are each amended to  
2 read as follows:

3       VEHICLE FEE. (1) Upon approval of a majority of the voters within  
4 its boundaries voting on the ballot proposition, a regional  
5 transportation (~~investment district~~) improvement authority may set  
6 and impose an annual local option vehicle license fee, or a schedule of  
7 fees based upon the age of the vehicle, of up to one hundred dollars  
8 per motor vehicle registered within the boundaries of the region on  
9 every motor vehicle. As used in this section "motor vehicle" has the  
10 meaning provided in RCW 46.04.320, but does not include farm tractors  
11 or farm vehicles as defined in RCW 46.04.180 and 46.04.181, off-road  
12 and nonhighway vehicles as defined in RCW 46.09.020, and snowmobiles as  
13 defined in RCW 46.10.010. Vehicles registered under chapter 46.87 RCW  
14 and the international registration plan are exempt from the annual  
15 local option vehicle license fee set forth in this section. The  
16 department of licensing shall administer and collect this fee on behalf  
17 of regional transportation (~~investment districts~~) improvement  
18 authorities and remit this fee to the custody of the state treasurer  
19 for monthly distribution under RCW 82.80.080.

20       (2) (~~The local option vehicle license fee applies only when~~  
21 ~~renewing a vehicle registration, and is effective upon the registration~~  
22 ~~renewal date as provided by the department of licensing.~~

23       ~~(3))~~ A regional transportation (~~investment district~~) improvement  
24 authority imposing the local option vehicle license fee or initiating  
25 an exemption process 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 fee.

29       ~~((4))~~ (3) A regional transportation (~~investment district~~)  
30 improvement authority imposing the local option fee shall delay the  
31 effective date of the local option vehicle license fee imposed by this  
32 section at least six months from the date of the final certification of  
33 the approval election to allow the department of licensing to implement  
34 the administration and collection of or exemption from the fee.

35       **Sec. 312.** RCW 82.80.110 and 2003 c 350 s 2 are each amended to  
36 read as follows:

37       FUEL TAX--COUNTY FOR AUTHORITY. (1) For purposes of this section:

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

5 (b) "Person" has the same meaning as in RCW 82.04.030.

6 (2) For purposes of dedication to a regional transportation  
7 (~~investment district~~) improvement authority plan under chapter  
8 (~~36.120~~) 36.-- RCW (sections 101 through 117 of this act), subject to  
9 the conditions of this section, a county may levy additional excise  
10 taxes equal to ten percent of the statewide motor vehicle fuel tax rate  
11 under RCW 82.36.025 on each gallon of motor vehicle fuel as defined in  
12 RCW 82.36.010 and on each gallon of special fuel as defined in RCW  
13 82.38.020 sold within the boundaries of the county. The additional  
14 excise tax is subject to the approval of the county's legislative body  
15 and a majority of the registered voters of the county voting on the  
16 proposition at a general or special election. An election held under  
17 this section must be held not more than twelve months before the date  
18 on which the proposed tax is to be levied. The ballot setting forth  
19 the proposition must state that the revenues from the tax will be used  
20 for a regional transportation (~~investment district~~) improvement  
21 authority plan. The county's authority to levy additional excise taxes  
22 under this section includes the incorporated and unincorporated areas  
23 of the county. Vehicles paying an annual license fee under RCW  
24 82.38.075 are exempt from the county fuel excise tax. The additional  
25 excise taxes are subject to the same exceptions and rights of refund as  
26 applicable to other motor vehicle fuel and special fuel excise taxes  
27 levied under chapters 82.36 and 82.38 RCW. The proposed tax may not be  
28 levied less than one month from the date the election results are  
29 certified by the county election officer. The commencement date for  
30 the levy of any tax under this section will be the first day of  
31 January, April, July, or October.

32 (3) The local option motor vehicle fuel tax on each gallon of motor  
33 vehicle fuel and on each gallon of special fuel is imposed upon the  
34 distributor of the fuel.

35 (4) A taxable event for the purposes of this section occurs upon  
36 the first distribution of the fuel within the boundaries of a county to  
37 a retail outlet, bulk fuel user, or ultimate user of the fuel.

1 (5) All administrative provisions in chapters 82.01, 82.03, and  
2 82.32 RCW, insofar as they are applicable, apply to local option fuel  
3 taxes imposed under this section.

4 (6) Before the effective date of the imposition of the fuel taxes  
5 under this section, a county shall contract with the department of  
6 revenue for the administration and collection of the taxes. The  
7 contract must provide that a percentage amount, not to exceed one  
8 percent of the taxes imposed under this section, will be deposited into  
9 the local tax administration account created in the custody of the  
10 state treasurer. The department of revenue may spend money from this  
11 account, upon appropriation, for the administration of the local taxes  
12 imposed under this section.

13 (7) The state treasurer shall distribute monthly to the county  
14 levying the tax as part of a regional transportation investment plan,  
15 after the deductions for payments and expenditures as provided in RCW  
16 46.68.090(1) (a) and (b).

17 (8) The proceeds of the additional taxes levied by a county in this  
18 section, to be used as a part of a regional transportation investment  
19 plan, must be used in accordance with chapter ~~((36.120))~~ 36.-- RCW  
20 (sections 101 through 117 of this act), but only for those areas that  
21 are considered "highway purposes" as that term is construed in Article  
22 II, section 40 of the state Constitution.

23 (9) A county may not levy the tax under this section if they are a  
24 member of a regional transportation ~~((investment district))~~ improvement  
25 authority that is levying the tax in RCW 82.80.120 or the county is  
26 levying the tax in RCW 82.80.010.

27 **Sec. 313.** RCW 82.80.120 and 2003 c 350 s 3 are each amended to  
28 read as follows:

29 FUEL TAX--AUTHORITY. (1) For purposes of this section:

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

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

35 (c) ~~((District))~~ Authority means a regional transportation  
36 ~~((investment district))~~ improvement authority under chapter ~~((36.120))~~  
37 36.-- RCW (sections 101 through 117 of this act).

1           (2) A regional transportation (~~(investment district)~~) improvement  
2 authority under chapter (~~(36.120)~~) 36.-- RCW (sections 101 through 117  
3 of this act), subject to the conditions of this section, may levy  
4 additional excise taxes equal to ten percent of the statewide motor  
5 vehicle fuel tax rate under RCW 82.36.025 on each gallon of motor  
6 vehicle fuel as defined in RCW 82.36.010 and on each gallon of special  
7 fuel as defined in RCW 82.38.020 sold within the boundaries of the  
8 (~~(district)~~) authority. The additional excise tax is subject to the  
9 approval of a majority of the voters within the (~~(district)~~) authority  
10 boundaries. Vehicles paying an annual license fee under RCW 82.38.075  
11 are exempt from the (~~(district's)~~) authority's fuel excise tax. The  
12 additional excise taxes are subject to the same exceptions and rights  
13 of refund as applicable to other motor vehicle fuel and special fuel  
14 excise taxes levied under chapters 82.36 and 82.38 RCW. The proposed  
15 tax may not be levied less than one month from the date the election  
16 results are certified. The commencement date for the levy of any tax  
17 under this section will be the first day of January, April, July, or  
18 October.

19           (3) The local option motor vehicle fuel tax on each gallon of motor  
20 vehicle fuel and on each gallon of special fuel is imposed upon the  
21 distributor of the fuel.

22           (4) A taxable event for the purposes of this section occurs upon  
23 the first distribution of the fuel within the boundaries of the  
24 (~~(district)~~) authority to a retail outlet, bulk fuel user, or ultimate  
25 user of the fuel.

26           (5) All administrative provisions in chapters 82.01, 82.03, and  
27 82.32 RCW, insofar as they are applicable, apply to local option fuel  
28 taxes imposed under this section.

29           (6) Before the effective date of the imposition of the fuel taxes  
30 under this section, (~~(a district)~~) an authority shall contract with the  
31 department of revenue for the administration and collection of the  
32 taxes. The contract must provide that a percentage amount, not to  
33 exceed one percent of the taxes imposed under this section, will be  
34 deposited into the local tax administration account created in the  
35 custody of the state treasurer. The department of revenue may spend  
36 money from this account, upon appropriation, for the administration of  
37 the local taxes imposed under this section.

1 (7) The state treasurer shall distribute monthly to the  
2 ((~~district~~)) authority levying the tax as part of the regional  
3 transportation ((~~investment district~~)) improvement authority plan,  
4 after the deductions for payments and expenditures as provided in RCW  
5 46.68.090(1) (a) and (b).

6 (8) The proceeds of the additional taxes levied by ((~~a district~~))  
7 an authority in this section, to be used as a part of a regional  
8 transportation ((~~investment district~~)) improvement authority plan, must  
9 be used in accordance with chapter ((~~36.120~~)) 36.-- RCW (sections 101  
10 through 117 of this act), but only for those areas that are considered  
11 "highway purposes" as that term is construed in Article II, section 40  
12 of the state Constitution.

13 (9) ((~~A district~~)) An authority may not levy the tax in this  
14 section if a member county is levying the tax in RCW 82.80.010 or  
15 82.80.110.

16 **Sec. 314.** RCW 47.56.075 and 2002 c 56 s 404 are each amended to  
17 read as follows:

18 DOT TOLL ROAD AUTHORITY TO RTIA. The department shall approve for  
19 construction only such toll roads as the legislature specifically  
20 authorizes or such toll facilities as are specifically sponsored by a  
21 regional transportation ((~~investment district~~)) improvement authority,  
22 city, town, or county.

23 NEW SECTION. **Sec. 315.** A new section is added to chapter 36.--  
24 RCW (sections 101 through 117 of this act) to read as follows:

25 TOLL AUTHORITY. Notwithstanding any provision to the contrary in  
26 this chapter, a regional transportation improvement authority may  
27 impose vehicle tolls on local and regional arterials with the approval  
28 of the transportation commission, or its successor, and upon approval  
29 of a majority of the voters voting on a regional transportation  
30 improvement plan ballot measure within its boundaries as authorized in  
31 this chapter. These tolls may be imposed to generate revenue to fund  
32 the regional transportation improvement plan. Tolls imposed may vary  
33 for type of vehicle, for time of day, for traffic conditions, and for  
34 other factors.

1        NEW SECTION.    **Sec. 316.**    A new section is added to chapter 82.80  
2    RCW to read as follows:

3        VEHICLE MILES TRAVELED.    (1) The board of a regional transportation  
4    improvement authority may impose a charge based upon vehicle miles  
5    traveled. This charge may be, but is not limited to, a charge upon the  
6    vehicle miles traveled within the authority by a vehicle, upon vehicle  
7    miles traveled within certain corridors in the authority, or upon total  
8    vehicle miles traveled by a vehicle registered to a person whose legal  
9    residence is within the authority.

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

17        (3) The mileage charge under this section is subject to the  
18    approval of the transportation commission or its statutory successor  
19    and the authority to impose a charge is subject to voter approval as  
20    set forth in section 107 of this act.

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

30        **Sec. 317.**    RCW 47.56.076 and 2002 c 56 s 403 are each amended to  
31    read as follows:

32        COMMISSION--TOLLING.    With the approval of the transportation  
33    commission, or its successor, and upon approval of a majority of the  
34    voters within its boundaries voting on the ballot proposition, ((and  
35    only for the purposes authorized in RCW 36.120.050(1)(f),)) a regional  
36    transportation ((investment district)) improvement authority may  
37    ((impose)) authorize vehicle tolls on a state ((routes where

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

10 NEW SECTION. Sec. 318. A new section is added to chapter 47.56  
11 RCW to read as follows:

12 I-90/SR 520 TOLLING. Notwithstanding any provision to the contrary  
13 in this chapter, a regional transportation improvement authority may  
14 impose vehicle tolls on either Lake Washington bridge upon approval of  
15 a majority of the voters voting on a regional transportation investment  
16 plan ballot measure within its boundaries as authorized in chapter  
17 36.-- RCW (sections 101 through 117 of this act) and RCW 47.56.076.

18 **PART IV**  
19 **NEW GOVERNANCE DEVELOPMENT**

20 NEW SECTION. Sec. 401. LEGISLATIVE INTENT. The legislature finds  
21 that increased demands on transportation resources require increased  
22 efficiency and effectiveness in decision making within urbanized  
23 regions. Legislative enactments, public votes on local and state  
24 initiatives and referenda, and the number of agencies involved in  
25 transportation planning and delivery of services has significantly  
26 added to the complexity of transportation programs.

27 The legislature further finds that coordinated planning, investment  
28 in, and operation of transportation systems by the state and local  
29 governments can help ensure an efficient, effective transportation  
30 system that addresses community needs. Such coordination can also  
31 enhance local and state objectives for effective regional  
32 transportation strategies and effective coordination between land use  
33 and transportation.

34 The legislature finds that addressing this need for better  
35 accountability and coordination requires a comprehensive regional

1 examination of alternative methods for consolidating and coordinating  
2 transportation efforts, and improving accountability. This examination  
3 is best accomplished by an independent body of experts in governmental  
4 organization and transportation issues. It further finds that the  
5 results of this process will guide the legislature and the public in  
6 shaping changes to ensure public confidence in public institutions and  
7 tax expenditures.

8 NEW SECTION. **Sec. 402.** ESTABLISHMENT OF COMMISSION. (1) The  
9 county executives of all counties having a population of over five  
10 hundred thousand persons, that adjoin other counties having a  
11 population of over five hundred thousand persons, shall jointly appoint  
12 a regional transportation governance commission. The county commission  
13 of any other county within the regional transportation planning  
14 organization in which the counties are located shall also appoint a  
15 member to the governance commission. The governor shall appoint a  
16 voting member of the commission, who shall be chair, and shall appoint  
17 additional members so that the governor's appointments constitute at  
18 least one-third of the voting membership of the commission. In  
19 addition, the secretary of transportation or the secretary's designee  
20 shall serve as a nonvoting member. Appointees must be citizen members,  
21 who do not hold public office. Appointees must include experts from  
22 the private and public sectors, including academia, with demonstrated  
23 expertise in innovation, structural reorganization, and private or  
24 public agency decision making and must also include experts in fields  
25 such as municipal law, public administration, intergovernmental  
26 relationships, and transportation planning, construction, operations,  
27 and risk management. The commission may not exceed eighteen voting  
28 members.

29 (2) The commission shall evaluate transportation governance in the  
30 central Puget Sound area under the jurisdiction of the Puget Sound  
31 regional council. This evaluation must include an assessment of the  
32 current roles of regional transportation agencies including regional  
33 transportation and metropolitan planning organizations, the regional  
34 transit authority, regional transportation improvement authorities,  
35 county and municipal agencies operating transit services, and cities  
36 and counties and other public agencies providing transportation

1 services or facilities. The commission shall assess and develop  
2 recommendations for what steps should be taken to:

3 (a) Consolidate governance among agencies including changes in  
4 institutional powers, structures, and relationships and governance  
5 needed to improve accountability for transportation decisions, while  
6 enhancing the regional focus for transportation decisions and  
7 maintaining equity among citizens in the region;

8 (b) Improve coordination in the planning of transportation  
9 investments and services;

10 (c) Improve investment strategies;

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

13 (e) Enhance efficiency and coordination in the delivery of services  
14 provided;

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

17 (g) Improve coordination between regional investments and federal  
18 funds, and state funding including those administered by the  
19 transportation improvement board, the county road administration board,  
20 and the freight mobility strategic investment board.

21 (3) The commission shall make public its preliminary findings and  
22 recommendations by November 15, 2005, and shall provide at least  
23 fifteen days for public comment. The commission shall then adopt its  
24 findings and recommendations and submit them to the legislature by  
25 January 1, 2006.

26 (4) The commission shall conduct public meetings to assure active  
27 public participation in the development of the recommendations.

28 NEW SECTION. **Sec. 403.** COMMISSION STAFF SUPPORT. The department  
29 of transportation shall provide staff support to the commission and,  
30 upon request of the commission, contract with other parties for staff  
31 support to the commission.

32 **PART V**

33 **REPEAL OF REGIONAL TRANSPORTATION INVESTMENT DISTRICT PROVISIONS**

34 NEW SECTION. **Sec. 501.** The following acts or parts of acts are  
35 each repealed:

- 1 (1) RCW 36.120.010 (Findings) and 2002 c 56 s 101;
- 2 (2) RCW 36.120.020 (Definitions) and 2002 c 56 s 102;
- 3 (3) RCW 36.120.030 (Planning committee formation) and 2002 c 56 s
- 4 103;
- 5 (4) RCW 36.120.040 (Planning committee duties) and 2003 c 194 s 1
- 6 & 2002 c 56 s 104;
- 7 (5) RCW 36.120.050 (Taxes, fees, and tolls) and 2003 c 350 s 4 &
- 8 2002 c 56 s 105;
- 9 (6) RCW 36.120.060 (Project selection--Performance criteria) and
- 10 2002 c 56 s 106;
- 11 (7) RCW 36.120.070 (Submission of plan to the voters) and 2002 c 56
- 12 s 107;
- 13 (8) RCW 36.120.080 (Formation--Certification) and 2002 c 56 s 108;
- 14 (9) RCW 36.120.090 (Governing board--Composition) and 2002 c 56 s
- 15 109;
- 16 (10) RCW 36.120.100 (Governing board--Organization) and 2002 c 56
- 17 s 110;
- 18 (11) RCW 36.120.110 (Governing board--Powers and duties--Intent)
- 19 and 2002 c 56 s 111;
- 20 (12) RCW 36.120.120 (Treasurer) and 2002 c 56 s 112;
- 21 (13) RCW 36.120.130 (Indebtedness--Bonds--Limitation) and 2003 c
- 22 372 s 1 & 2002 c 56 s 113;
- 23 (14) RCW 36.120.140 (Transportation project or plan modification--
- 24 Accountability) and 2003 c 194 s 2 & 2002 c 56 s 114;
- 25 (15) RCW 36.120.150 (Department of transportation--Role) and 2002
- 26 c 56 s 115;
- 27 (16) RCW 36.120.160 (Ownership of improvements) and 2002 c 56 s
- 28 116;
- 29 (17) RCW 36.120.170 (Dissolution of district) and 2002 c 56 s 117;
- 30 (18) RCW 36.120.180 (Findings--Regional models--Grants) and 2002 c
- 31 56 s 118;
- 32 (19) RCW 36.120.190 (Joint ballot measure) and 2002 c 56 s 201;
- 33 (20) RCW 36.120.200 (Regional transportation investment district
- 34 account) and 2002 c 56 s 401;
- 35 (21) RCW 36.120.900 (Captions and subheadings not law--2002 c 56)
- 36 and 2002 c 56 s 501; and
- 37 (22) RCW 36.120.901 (Severability--2002 c 56) and 2002 c 56 s 503.

1 **PART VI**

2 **MISCELLANEOUS PROVISIONS**

3 NEW SECTION. **Sec. 601.** CAPTIONS. Captions and part headings used  
4 in this act are not part of the law.

5 NEW SECTION. **Sec. 602.** STATEWIDE MOTOR FUEL TAXES HELD HARMLESS.  
6 Existing statewide motor vehicle fuel and special fuel taxes, at the  
7 distribution rates in RCW 46.68.090, are not intended to be altered by  
8 this act.

9 NEW SECTION. **Sec. 603.** CODIFICATION. Sections 101 through 117  
10 and 315 of this act constitute a new chapter in Title 36 RCW.

11 NEW SECTION. **Sec. 604.** SEVERABILITY. If any provision of this  
12 act or its application to any person or circumstance is held invalid,  
13 the remainder of the act or the application of the provision to other  
14 persons or circumstances is not affected.

--- END ---