

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

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

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

16 It is therefore the policy of the state of Washington to create a
17 single regional transportation commission, more directly accountable to
18 the public, with adequate resources to develop and implement a
19 comprehensive transportation plan for the citizens of the central Puget
20 Sound metropolitan region.

21 NEW SECTION. **Sec. 2.** DEFINITIONS. The definitions in this
22 section apply throughout this chapter unless the context clearly
23 requires otherwise.

24 (1) "Commission district" means a district created by county
25 legislative authorities for purposes of electing a commissioner to
26 serve on the commission, as prescribed in section 5 of this act.

27 (2) "Commissioner" means an elected or appointed member of the
28 commission established in section 4 of this act.

29 (3) "Highway of statewide significance" means an existing or
30 proposed state route or federal interstate designated as a highway of
31 statewide significance by the commission, its successor entity, or the
32 legislature.

33 (4) "Lead agency" means a public agency that by law can plan,
34 design, and build a transportation project and has been so designated
35 by the commission.

36 (5) "Project of regional significance" means an existing or

1 proposed project designated by the commission, its successor entity, or
2 the legislature, as significant to the regional transportation
3 district.

4 (6) "Regional transit authority" means that authority defined in
5 chapter 81.112 RCW.

6 (7) "Regional transportation commission" or "commission" means the
7 commission established in section 4 of this act.

8 (8) "Regional transportation district" or "district" means the
9 Puget Sound regional transportation district established in section 3
10 of this act.

11 (9) "Regional transportation investment plan" or "plan" means a
12 plan to develop, construct, and finance transportation projects.

13 (10) "Regional transportation planning organization" means that
14 organization defined in chapter 47.80 RCW.

15 (11) "Transportation projects" or "projects" means projects
16 contained in the regional transportation investment plan that are of
17 statewide or regional significance. Projects may include:

18 (a) High-capacity transportation, public transportation, and other
19 transportation projects and programs of regional or statewide
20 significance, including transportation demand management;

21 (b) A capital improvement or improvements to a highway that has
22 been designated in whole or in part as a highway of statewide
23 significance;

24 (c) A capital improvement or improvements to all or a portion of a
25 highway of statewide significance, including an extension, and may
26 include the following associated multimodal capital improvements:

27 (i) Approaches to highways of statewide significance;

28 (ii) High-occupancy vehicle lanes;

29 (iii) Flyover ramps;

30 (iv) Park and ride lots;

31 (v) Bus pullouts;

32 (vi) Vans for vanpools;

33 (vii) Buses; and

34 (viii) Signalization, ramp metering, and other transportation
35 system management improvements;

36 (d) A capital improvement or improvements to all or a portion of a
37 city street, county road, or arterial of regional significance;

1 (e) The creation of a new highway or a capital improvement or
2 improvements to a highway of regional significance; or

3 (f) The operation, preservation, and maintenance of facilities or
4 programs referenced in (a) through (e) of this subsection.

5 NEW SECTION. **Sec. 3.** DISTRICT CREATED. A political subdivision
6 known as the Puget Sound regional transportation district is created.
7 The boundaries of the regional transportation district are, at a
8 minimum and as may be modified by the commission, coextensive with the
9 urban growth boundaries of those contiguous counties of the Puget Sound
10 metropolitan region comprising a county with a population over one
11 million five hundred thousand persons and the immediately adjacent
12 counties each with a population over five hundred thousand persons.
13 However, any portion of a county that is located on a peninsula may be
14 exempt from the regional transportation district if a portion of the
15 county located on the peninsula is connected to the other portion of
16 the county by a bridge improved under chapter 47.46 RCW, and the county
17 has a national park and a population of more than five hundred thousand
18 persons, but less than one million five hundred thousand persons.

19 A county may decide by ordinance to join the regional
20 transportation district, at which time the boundaries of the district
21 shall, at a minimum, and as may be modified by the commission, include
22 such county's corresponding urban growth area, if the county is (1)
23 located on a peninsula, and (2) immediately adjacent to a county that:
24 (a) Is located partially on the same peninsula; (b) has a population of
25 over five hundred thousand persons; and (c) adjoins a county with more
26 than one million five hundred thousand persons.

27 NEW SECTION. **Sec. 4.** COMMISSION CREATED. (1) The regional
28 transportation commission is established as the governing body of the
29 regional transportation district, to develop and implement a
30 comprehensive transportation plan within the metropolitan Puget Sound
31 region.

32 (2) The commission shall consist of nine commissioners, initially
33 appointed by the governor as set forth in subsection (3) of this
34 section and, except for county executive commissioners appointed as set
35 forth in subsection (3) of this section, elected thereafter as set
36 forth in section 5 of this act.

1 (3) Appointments of initial commissioners shall reflect
2 geographical balance and diversity of populations within the Puget
3 Sound region and, to the extent possible, include commissioners with
4 special expertise in relevant fields such as funding, planning, and
5 construction of transportation improvement projects and operation of
6 transportation systems. Three of the nine commissioners shall comprise
7 the county executives of each of the three counties contained in the
8 regional transportation district under section 3 of this act. The
9 governor shall make all initial appointments to the commission by the
10 second Monday of January 2007. Of the initial commissioners appointed,
11 who are not county executives, three shall serve an initial term of two
12 years and three shall serve an initial term of four years. Vacancies
13 for any unexpired initial term by appointment shall be filled in the
14 same manner as the original appointments were made.

15 (4) Each person appointed by the governor shall hold office until
16 the general election to be held in the final year of such initial term
17 as set forth in subsection (3) of this section, and until a successor
18 is elected and qualified as set forth in section 5 of this act.

19 (5) The commission chair presides over the commission and sets the
20 commission agenda subject to general rules established by the
21 commission. Except as provided otherwise in this chapter, the
22 commission chair appoints all members of the committees, councils, and
23 boards created by the rules of the commission. The initial commission
24 chair shall be designated by the governor from among the six
25 commissioners appointed under subsection (3) of this section, and shall
26 serve a term of four years and until a successor is selected as set
27 forth in section 5 of this act.

28 (6) The commission may be entitled to state funding, as
29 appropriated by the legislature, to pay for start-up expenses incurred
30 by the district and through contracts in selecting transportation
31 projects under this chapter. Upon voter approval of a regional
32 transportation investment plan, as set forth in sections 14 and 15 of
33 this act, the district, by ordinance of the commission, shall, within
34 one year, reimburse the state for any sums advanced by the state for
35 these start-up costs.

36 NEW SECTION. **Sec. 5.** COMMISSION DISTRICTS. (1) By January 31,
37 2008, the legislative authorities of the central Puget Sound counties

1 shall jointly assemble and determine seven commission districts, based
2 on equal populations. The counties shall provide for the nomination
3 and election of commissioners in accordance with the following
4 schedule:

5 (a) Three commissioners at the 2008 primary and general election
6 and every four years thereafter; and

7 (b) Three commissioners at the 2010 primary and general election
8 and every four years thereafter.

9 (2) At the first commission meeting in January 2011, and at the
10 first commission meeting every four years thereafter, the commission
11 shall select a commission chair from among the elected commissioners.

12 (3) At the first commission meeting each January, the commission
13 shall adopt an annual organizing resolution naming a vice chair from
14 among the commissioners and establishing such committees as the
15 commission deems necessary for the orderly conduct of commission
16 business.

17 (4) The commission shall meet regularly in the area at times and
18 places it designates. The commission shall prescribe by ordinance the
19 rules to govern the conduct of its meetings. Except as this chapter
20 provides otherwise, the agreement of a majority of commissioners
21 present that constitutes a quorum is necessary to decide affirmatively
22 a question before the commission.

23 (5) A majority of commissioners in office is a quorum for
24 commission business, but fewer commissioners may compel absent
25 commissioners to attend.

26 (6) The commission shall keep and authenticate a record of
27 commission proceedings.

28 **PART II**
29 **QUALIFICATIONS, TERMS, AND CONDITIONS OF OFFICES**

30 NEW SECTION. **Sec. 6.** TERM OF OFFICE. The term of office of an
31 officer elected at a general election begins the first Monday of the
32 year after election and continues until a successor assumes the office.

33 NEW SECTION. **Sec. 7.** QUALIFICATIONS AND SALARIES OF ELECTED
34 OFFICERS. (1) A commissioner must be a qualified elector under the
35 state Constitution when his or her term of office begins and, except

1 for initial commissioners appointed by the governor, must have resided
2 during the preceding twelve months in the district from which elected.
3 When the boundaries of that district have been apportioned or
4 reapportioned during that period, residency in that district, for
5 purposes of this subsection, includes residency in any former district
6 with area in the district from which the commissioner is elected if
7 residency is established in the apportioned or reapportioned district
8 within sixty days after the apportionment or reapportionment is
9 effective.

10 (2) The commission chair must be a qualified elector under the
11 state Constitution when his or her term of office begins, and must have
12 resided during the preceding twelve months within the boundaries of the
13 regional transportation district as they existed when the term of
14 office began.

15 (3) A commission elected officer may not be an elected officer of
16 the state or a city, county, or special district during his or her term
17 of office. As used in this chapter, special district does not include
18 school districts.

19 (4) The commission is the judge of the election and qualification
20 of its commissioners.

21 (5) Before assuming office, an elected officer shall take an oath
22 or affirm that he or she will faithfully perform the duties of the
23 office and support the constitutions and laws of the United States and
24 this state and the charter and laws of the commission district.

25 (6) The salary of the commission chair is equal to the salary of
26 members of the county legislative authority of the largest county
27 within the regional transportation district. The salary of each other
28 commissioner is eighty percent of the salary of the chair.

29 NEW SECTION. **Sec. 8.** VACANCIES IN OFFICE. (1) The office of
30 commissioner becomes vacant upon the incumbent's: (a) Death; (b)
31 adjudicated incompetency; (c) recall from office; (d) failure after
32 election or appointment to qualify for the office within ten days after
33 the time for his or her term of office to begin; (e) absence from all
34 meetings of the commission within a sixty-day period without the
35 commission's consent; (f) ceasing to reside in the district from which
36 elected, except when district boundaries are reapportioned and a
37 commissioner is assigned to a district where he or she does not reside,

1 but becomes a resident of the reapportioned district within sixty days
2 after the reapportionment is effective; (g) ceasing to be a qualified
3 elector under state law; (h) conviction of a felony or conviction of a
4 federal or state offense punishable by loss of liberty and pertaining
5 to his or her office; (i) resignation from office; or (j) becoming an
6 elected officer of the state or a city, county, or special district.

7 (2) The office of commission chair becomes vacant in the
8 circumstances described in subsection (1)(a) through (d) and (g)
9 through (j) of this section, or if the commission chair ceases to
10 reside in the area.

11 (3) The commission is the final judge of the existence of a
12 vacancy.

13 NEW SECTION. **Sec. 9.** FILLING VACANCIES. A majority of
14 commissioners holding office shall fill a vacancy by appointment within
15 ninety days of the vacancy. The term of office of the appointee runs
16 from the time he or she qualifies for the office after appointment
17 until a successor is duly elected and qualifies for the office. If the
18 vacancy occurs more than twenty days before the first general election
19 after the beginning of the term for that office, the term of office of
20 the appointee runs only until the first commission meeting in the year
21 following that election. A person will be nominated and elected for
22 the remainder of the term at the first primary and general election
23 after the beginning of the term.

24 **PART III**
25 **POWERS AND DUTIES**

26 NEW SECTION. **Sec. 10.** COMMISSION POWERS AND DUTIES--INTENT. It
27 is the intent of the legislature that the commission have system-wide
28 planning and funding authority for regionally significant road and
29 highway projects, regional mass transit, and local public
30 transportation.

31 NEW SECTION. **Sec. 11.** POWERS. The commission shall be the
32 designated regional transportation planning organization for its area
33 and have, except where provided otherwise, the same duties and

1 obligations of those organizations as prescribed in chapter 47.80 RCW.
2 The commission has the following powers:

3 (1) To assume responsibility for the metropolitan planning function
4 within the region and act as the governing body for that activity, to
5 the fullest extent permitted by 23 U.S.C. Sec. 134 as amended from time
6 to time. The jurisdiction and power of any existing metropolitan
7 planning organization, and its plans or programs necessary to obtain
8 federal transportation funds or to maintain compliance with federal
9 clean air laws, remain in full force and effect until the commission is
10 recognized by applicable federal government units as the metropolitan
11 planning organization for each county represented by the commission;

12 (2) To contract for the construction of transportation facilities
13 and services that serve regionally significant corridors or are
14 otherwise regionally significant;

15 (3) To plan, develop, and contract for the operation of local and
16 regional public transportation services as set forth in section 12 of
17 this act;

18 (4) To plan, develop, and enforce standards for the coordination of
19 regional traffic operations as set forth in section 13 of this act;

20 (5) To govern the planning, development, construction, and
21 financing of transportation projects;

22 (6) To review, and approve, modify, or reject, the decisions and
23 plans of the board of any regional transit authority under chapter
24 81.112 RCW located primarily within the boundaries of the district;

25 (7) To impose taxes and fees authorized by district voters;

26 (8) To enter into other agreements with state, local, and regional
27 agencies and departments as necessary to accomplish commission purposes
28 and protect the district's investments in transportation projects;

29 (9) To accept and expend gifts, grants, or other contributions of
30 funds that will support the purposes and programs of the commission;

31 (10) To pay for services and enter into leases and contracts,
32 including professional service contracts;

33 (11) To contract with an existing agency or hire a staff to
34 administer and provide oversight of contracts to implement the regional
35 transportation investment plan. However, it is the intent of the
36 legislature that administrative and overhead costs of the commission be
37 minimized;

1 (12) To appoint any advisory committees it deems necessary to carry
2 out the intent of this chapter;

3 (13) To perform multimodal corridor planning in coordination with
4 the department of transportation under RCW 47.06.130, including the
5 power to prioritize projects of regional significance to be contained
6 in any multimodal corridor analyses of areas within the district; and

7 (14) To exercise other powers and duties as may be reasonable to
8 carry out the purposes of the district.

9 NEW SECTION. **Sec. 12.** PUBLIC TRANSPORTATION COORDINATION. (1)

10 The commission shall govern the planning and capital investment
11 activities of local and regional public transportation providers and
12 establish standards for, and oversee in cooperation with the
13 transportation commission, public transportation service and
14 performance.

15 (2) The goal of these standards is to maximize coordination within
16 and among systems, use resources more effectively, and enhance services
17 to the public. In developing these standards, the commission shall
18 consult with regional transit authorities, city transportation
19 authorities, other transit and transportation agencies, and ferry
20 providers operating within the region. The standards shall also
21 address vanpool coordination, fare policies, and transportation demand
22 management programs.

23 (3) In addition to the duties under section 14 of this act, the
24 commission shall approve each plan, prepared under RCW 35.58.2795 by
25 public transportation providers operating in the region, if it finds
26 that those plans meet the standards developed under subsection (1) of
27 this section. If the commission finds that those plans do not meet the
28 standards set forth in subsection (1) of this section, the commission
29 shall immediately notify the agency that prepared the plan of the
30 reasons for noncompliance. The plan may be amended and resubmitted to
31 the commission.

32 (4) If the commission does not approve the plan of a public
33 transportation provider operating in its area of jurisdiction, that
34 agency's plan may not be included in the regional transportation
35 investment plan.

1 NEW SECTION. **Sec. 13.** REGIONAL TRAFFIC OPERATIONS COORDINATION.

2 The commission shall:

3 (1) Develop standards for the coordination of the traffic
4 operations of state and local roads of regional significance. The
5 objective of these standards is to maximize coordination across
6 jurisdictional boundaries, to invest capital and operational resources
7 more effectively, and to improve transportation system efficiency for
8 the benefit of the traveling public and the movement of goods and
9 services. In developing these standards, the commission shall consult
10 with the state department of transportation and local traffic
11 operations agencies; and

12 (2) Ensure that elements of the regional transportation investment
13 plan include a regional traffic operations coordination element that
14 meets the standards under subsection (1) of this section. This plan
15 shall include the appropriate application of intelligent transportation
16 systems technologies to the freeways and regional arterials,
17 coordination of signal timing on regional arterials, and the
18 coordination of operating policies on freeways and regional arterials
19 to ensure that the system of freeways and regional arterials operates
20 as an integrated network.

21 NEW SECTION. **Sec. 14.** REGIONAL TRANSPORTATION INVESTMENT PLAN AND
22 RELATED DUTIES. (1) The commission shall govern the planning,

23 development, construction, and financing of transportation projects.

24 (2) The commission shall assume the system planning and taxing
25 authority from, and establish a framework for overseeing the
26 managerial, financial, and operational performance of, any regional
27 transit authority under chapter 81.112 RCW located partly or wholly
28 within the district's boundaries to strengthen regional and local
29 transit service.

30 (3) The commission may coordinate its activities with the
31 department of transportation and affected cities, towns, and other
32 local governments that engage in transportation planning.

33 (4) The commission shall:

34 (a) Oversee all regional expenditures of federal, state, and
35 regional transportation funds consistent with the purposes of this
36 chapter;

1 (b) Develop and modify, as needed, a prioritized list of
2 transportation projects meeting all requirements of (d) of this
3 subsection;

4 (c) Conduct public meetings that are needed to assure active public
5 participation in the development of the plan;

6 (d) Adopt, in coordination with the regional transit authority, a
7 regional transportation investment plan, which must:

8 (i) Identify transportation projects to be funded;

9 (ii) Recommend sources of revenue authorized by section 19 of this
10 act and chapter 81.112 RCW, and a financing plan to fund the
11 transportation projects in the plan. The overall plan of the
12 commission shall leverage the regional transportation district's
13 financial contributions so that in combination with federal, state,
14 local, and other revenue sources, the plan is funded. The plan may
15 include provisions for delaying the imposition of regional taxes and
16 fees or projects identified in the plan, pending the financial
17 participation of other parties or alternative financing techniques
18 necessary to accomplish the plan. The plan must include provisions for
19 adjusting the plan as needed to improve operations of the
20 transportation network in the region; and

21 (iii) Include policies for investment, operations, and the
22 performance of the regional transportation network using the following
23 criteria for selecting transportation improvement projects to improve
24 transportation system performance:

25 (A) Reduced risk of transportation facility failure and improved
26 safety;

27 (B) Improved travel time;

28 (C) Improved air quality;

29 (D) Increases in daily and peak period trip capacity;

30 (E) Improved modal connectivity;

31 (F) Improved freight mobility;

32 (G) Cost-effectiveness of the investment;

33 (H) Optimal performance of the system over time; and

34 (I) Other criteria, as adopted by the commission; and

35 (e) Perform multimodal corridor planning jointly with the
36 department of transportation under RCW 47.06.130, including
37 prioritizing projects of regional significance within any corridor
38 analyses of areas within the district.

1 (5) Before adopting the plan, the commission, with assistance from
2 the department of transportation and other lead agencies, shall work
3 with the lead agency to develop accurate cost estimates for
4 transportation projects. This project-costing methodology shall be
5 integrated with revenue forecasts in developing the financial plan and,
6 at a minimum, include estimated project costs in current dollars and
7 year of expenditure dollars, the range of project costs reflected by
8 the level of project design, project contingencies, identification of
9 mitigation costs, the range of revenue forecasts, and project and plan
10 cash flow and bond analysis. The plan shall provide cost estimates for
11 each project, including contingency costs. Plans shall provide that
12 all of the funds raised will be used to fund projects in the plan,
13 including environmental improvements and mitigation, and that
14 administrative costs be minimized. If actual revenue exceeds actual
15 plan costs, the excess revenues must be used to retire any outstanding
16 debt associated with the plan.

17 (6) Until the first Monday of January 2009, the commission shall
18 transmit the plan to the county legislative authority or authorities,
19 which shall act by ordinance within ninety days to adopt or not adopt
20 the plan.

21 (7) Once the plan is adopted, if required under subsection (6) of
22 this section, the participating county legislative authorities shall
23 initiate the election process under section 15 of this act. The
24 commission shall, at the same time, provide notice to each city and
25 town within the authority, the governor, the chairs and ranking members
26 of the transportation committees of the legislature, the secretary of
27 transportation, and each legislator whose legislative district is
28 partially or wholly within the boundaries of the authority.

29 (8) If the ballot measure is not approved, the commission may
30 redefine the selected transportation projects, financing plan, and the
31 ballot measure with input from the county legislative authority or
32 authorities. The county legislative authorities or authority may
33 approve the new plan and ballot measure, and may then submit the
34 revised proposition to the voters at the next election or a special
35 election.

36 (9) The commission is responsible for the execution of the voter-
37 approved plan.

1 (10) The commission shall monitor and audit the progress and
2 execution of transportation projects to protect the investment of the
3 public and annually publicize its findings.

4 (11) It is the intent of the legislature that administrative and
5 overhead costs of a regional transportation district be minimized.

6 (12) Lead agencies implementing authority projects may use the
7 design-build procedure for transportation projects they develop. As
8 used in this section, "design-build procedure" means a method of
9 contracting under which the authority contracts with another party for
10 that party to both design and build the structures, facilities, and
11 other items specified in the contract. The requirements and
12 limitations of RCW 47.20.780 and 47.20.785 do not apply to the
13 transportation projects under this chapter.

14 (13) The commission shall carry out such other duties it deems
15 necessary to implement the regional transportation investment plan.

16 NEW SECTION. **Sec. 15.** PLAN ADOPTION. The legislative authorities
17 of those contiguous counties comprising the regional transportation
18 district established in section 3 of this act, upon receipt of the
19 regional transportation investment plan under section 14 of this act,
20 shall, by adoption of an ordinance, submit to the voters of the
21 proposed district a single ballot measure that approves the regional
22 transportation investment plan, and approves the revenue sources
23 necessary to finance the plan. The commission may draft the ballot
24 measure on behalf of the county legislative authorities, and the county
25 legislative authorities may give notice as required by law for ballot
26 measures, and perform other duties as required to submit the measure to
27 the voters of the proposed authority for their approval or rejection.
28 The electorate will be the voters voting within the boundaries of the
29 authority within the participating counties, or in the case of a single
30 county, within the boundary of the county. A simple majority of the
31 total persons voting on the single ballot measure is required for
32 approval of the measure.

33 NEW SECTION. **Sec. 16.** FORMATION--CERTIFICATION. If the voters
34 approve the plan, including imposition of taxes and fees, the county
35 election officials of participating counties shall, within fifteen days
36 of the final certification of the election results, publish a notice in

1 a newspaper or newspapers of general circulation in the district
2 declaring the plan approved, and mail copies of the notice to the
3 governor, the secretary of transportation, and the executive director
4 of the regional transportation planning organization in which any part
5 of the district is located. A party challenging the procedure or the
6 approval of the regional transportation investment plan must file the
7 challenge in writing by serving the prosecuting attorney of the
8 participating counties and the attorney general within thirty days
9 after the final certification of the election. Failure to challenge
10 within that time forever bars further challenge of the approved plan.

11 **PART IV**
12 **FINANCE**

13 NEW SECTION. **Sec. 17.** TREASURER. The commission, by resolution,
14 shall designate a person having experience in financial or fiscal
15 matters as treasurer of the district. The commission may designate the
16 treasurer of a county within the district to act as its treasurer.
17 Such a treasurer has all of the powers, responsibilities, and duties
18 the county treasurer has related to investing surplus funds. The
19 district shall require a bond with a surety company authorized to do
20 business in this state in an amount and under the terms and conditions
21 the commission, by resolution, from time to time finds will protect the
22 district against loss. The district shall pay the premium on the bond.

23 In addition to the account established in section 18 of this act,
24 the treasurer may establish a special account, into which may be paid
25 district funds. The treasurer may disburse authority funds only on
26 warrants issued by the district upon orders or vouchers approved by the
27 district.

28 If the treasurer of the district is the treasurer of a county, all
29 district funds must be deposited with a county depository under the
30 same restrictions, contracts, and security as provided for county
31 depositories. If the treasurer of the district is some other person,
32 all funds must be deposited in a bank or banks authorized to do
33 business in this state qualified for insured deposits under any federal
34 deposit insurance act as the district, by resolution, designates.

35 The district may provide and require a reasonable bond of any other

1 person handling moneys or securities of the district, but the district
2 shall pay the premium on the bond.

3 NEW SECTION. **Sec. 18.** REGIONAL TRANSPORTATION DISTRICT ACCOUNT.
4 The regional transportation district account is created in the custody
5 of the state treasurer. The purpose of this account is to act as an
6 account into which state money, if any, may be deposited and that may
7 only be used in conjunction with the district's money to fund
8 transportation projects. The commission may deposit funds into this
9 account for disbursement, as appropriate, on transportation projects.
10 Nothing in this section requires any state matching money. All money
11 deposited in the regional transportation district account will be used
12 for design, right of way acquisition, capital acquisition,
13 construction, and operation, or for the payment of debt service
14 associated with these activities, for regionally or locally funded
15 transportation projects developed under this chapter. Only the
16 commission, or the commission's designee, may authorize expenditures
17 from the account. The account is subject to allotment procedures under
18 chapter 43.88 RCW. An appropriation is not required for expenditures
19 from this account.

20 NEW SECTION. **Sec. 19.** TAXES, FEES, AND TOLLS. (1) The commission
21 may, as part of a regional transportation investment plan, recommend
22 the imposition of some or all of the following revenue sources, which
23 the regional transportation district may impose as provided in this
24 chapter:

25 (a) A regional sales and use tax, as specified in RCW 82.14.430, of
26 up to 0.2 percent of the selling price, in the case of a sales tax, or
27 value of the article used, in the case of a use tax, upon the
28 occurrence of any taxable event in the regional transportation
29 district. This tax is intended to be temporary in nature to supplement
30 district revenues until implementation of some or all of the network
31 value-pricing system authorized in this section. This tax may not be
32 imposed without an affirmative vote of the majority of the voters
33 within the boundaries of the district voting on a ballot proposition
34 and may not authorize imposition of this tax for a period of longer
35 than ten years. This tax may be extended for a period not exceeding
36 ten years with an affirmative vote of the voters;

1 (b) A local option vehicle license fee, as specified under RCW
2 82.80.100, of up to one hundred dollars per vehicle registered in the
3 district. As used in this subsection, "vehicle" means motor vehicle as
4 defined in RCW 46.04.320. Certain classes of vehicles, as defined
5 under chapter 46.04 RCW, may be exempted from this fee;

6 (c) A local motor vehicle excise tax under RCW 81.100.060;

7 (d) A network value-pricing assessment of charges for users of
8 transportation facilities as set forth in section 21 of this act and
9 meeting the following conditions:

10 (i) With the approval of the transportation commission, or its
11 successor, vehicle tolls may be imposed on a local or regional arterial
12 or state or federal highway within the boundaries of the district;

13 (ii) The plan must identify the facilities that may be tolled; and

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

18 (e) All revenue sources authorized under chapter 81.112 RCW for any
19 regional transit authority within the district's boundaries.

20 (2) Revenues from these taxes and fees may be used only to
21 implement the plan as set forth in this chapter. Taxes, fees, and the
22 authority to impose tolls may not be imposed without an affirmative
23 vote of the majority of voters within the boundaries of the district
24 voting on a ballot proposition as set forth in sections 14 and 15 of
25 this act. The commission may contract with the state department of
26 revenue or other appropriate entities for administration and collection
27 of any of the taxes or fees authorized in this section. In authorizing
28 these revenue sources, it is the intent of the legislature to provide
29 a range of options that can be tailored to meet the transportation
30 financing needs and to improve operating efficiency of transportation
31 facilities.

32 NEW SECTION. **Sec. 20.** TOLL AUTHORITY. Notwithstanding any
33 provision to the contrary in this chapter, the department of
34 transportation, on behalf of the regional transportation district, may
35 impose vehicle tolls on local and regional arterials with the approval
36 of the transportation commission, or its successor, and upon approval
37 of a majority of the voters voting on a regional transportation

1 investment plan ballot measure within the district's boundaries as
2 authorized in this chapter. These tolls, or value-priced charges, may
3 be imposed to implement the regional transportation investment plan,
4 including improving performance of the regional transportation network,
5 financing transportation improvements, and measuring needed
6 investments. Toll imposed may vary for type of vehicle, for time of
7 day, for traffic conditions, and for other factors.

8 NEW SECTION. **Sec. 21.** NETWORK VALUE-PRICING SYSTEM. (1) A
9 regional transportation district created in section 3 of this act may
10 impose a network value-pricing charge based upon vehicle travel. This
11 charge may be, but is not limited to, a charge upon the vehicle miles
12 traveled within the district by a vehicle, or upon vehicle miles
13 traveled within certain corridors in the district, or upon total
14 vehicle miles traveled by a vehicle registered to a person whose legal
15 residence is within the district.

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

23 (3) The mileage charge under this section is subject to the
24 approval of the transportation commission or its statutory successor,
25 and the authority to impose a charge is subject to voter approval as
26 set forth in sections 14 and 15 of this act.

27 (4) A district imposing a mileage charge collected annually by the
28 department of licensing upon renewal of the vehicle license shall enter
29 into a contract with the department of licensing. The contract shall
30 contain provisions that fully recover the costs to the department of
31 licensing for collection and administration of the charge. The
32 district imposing this charge or initiating an exemption process shall
33 provide at least a six-month notice to the department of licensing
34 before the implementation of any changes in registration amounts or
35 exemptions.

1 NEW SECTION. **Sec. 22.** INDEBTEDNESS--BONDS--LIMITATION. (1)(a)

2 Notwithstanding RCW 39.36.020(1), the commission may at any time
3 contract indebtedness or borrow money for district purposes and may
4 issue general obligation bonds or other evidences of indebtedness,
5 secured by the pledge of one or more of the taxes, tolls, charges, or
6 fees authorized to be imposed by the district, in an amount not
7 exceeding, together with any existing indebtedness of the district not
8 authorized by the voters, one and one-half percent of the value of the
9 taxable property within the boundaries of the district.

10 (b) With the approval of three-fifths of the voters voting at an
11 election, the district may contract indebtedness or borrow money for
12 district purposes and may issue general obligation bonds or other
13 evidences of indebtedness as long as the total indebtedness of the
14 district does not exceed five percent of the value of the taxable
15 property within the district, including indebtedness authorized under
16 (a) of this subsection. The bonds shall be issued and sold in
17 accordance with chapter 39.46 RCW.

18 (2) The district may at any time issue revenue bonds or other
19 evidences of indebtedness, secured by the pledge of one or more of the
20 revenues authorized to be collected by the district, to provide funds
21 to carry out its authorized functions without submitting the matter to
22 the voters of the district. These obligations shall be issued and sold
23 in accordance with chapter 39.46 RCW.

24 (3) The district may enter into agreements with the lead agencies
25 or the state of Washington, when authorized by the plan, to pledge
26 taxes or other revenues of the district for the purpose of paying, in
27 part or whole, principal and interest on bonds issued by the lead
28 agency or the state of Washington. The agreements pledging revenues
29 and taxes are binding for their terms, and no tax pledged by an
30 agreement may be eliminated or modified if it would impair the pledge
31 made in any agreement. The term of the bonds may not exceed twenty-
32 five years.

33 (4) It is the intent of the legislature that the transportation
34 plan developed by the district minimize its reliance on bonds and that
35 the district rely on, to the extent possible, revenues and charges
36 generated by the network. The issuance of bonds is authorized to
37 address critical transportation expenditures and to better manage the
38 revenues and expenditure commitments of the district.

1 (5) Once construction of capital projects in the plan has been
2 completed, revenues collected by the district may only be used for the
3 following purposes: (a) Payment of principal and interest on
4 outstanding indebtedness of the district; (b) to make payments required
5 under a pledging agreement; (c) to make payments for maintenance and
6 operations of toll facilities as may be required by toll bond
7 covenants; and (d) to continue other programs as defined in the plan.

8 NEW SECTION. **Sec. 23.** TRANSPORTATION PROJECT OR PLAN
9 MODIFICATION. (1) The commission may modify the plan to change
10 transportation projects or revenue sources in the following manner:

11 (a) The commission adopts a resolution to modify the plan or to
12 newly impose or increase the rate of the motor vehicle excise tax,
13 vehicle license fee, or a sales and use tax authorized under RCW
14 82.14.430, and the counties submit the issue to the voters in the
15 district in the same manner provided for in section 15 of this act; or

16 (b) The commission redefines the scope of the plan, its projects,
17 its schedule, or its costs.

18 (2) The commission shall continually assess the plan to identify
19 investment and operational changes to improve system performance and
20 annually update the plan.

21 NEW SECTION. **Sec. 24.** TRANSPORTATION PLAN ACCOUNTABILITY. (1)
22 The commission shall develop a material change policy to address major
23 plan changes that affect project delivery or the ability to finance the
24 plan. The policy shall at least address material changes to cost,
25 scope, and schedule, the level of change that will require commission
26 involvement, and how the commission will address those changes as
27 provided for in this chapter, including when section 23 of this act
28 will be invoked.

29 (2) To assure accountability to the public for the timely
30 accomplishment of the transportation project or projects within scope
31 and cost projections, the commission shall issue a report, at least
32 annually, to the public and copies of the report to newspapers of
33 record in the district. In the report, the authority shall indicate
34 the status of transportation project costs, transportation project
35 expenditures, revenues, and construction schedules. The report shall

1 also include an explanation of the material change policy and actions
2 taken thereon, and may also include progress towards meeting the
3 performance criteria provided under this chapter.

4 **Sec. 25.** RCW 81.100.020 and 1990 c 43 s 13 are each amended to
5 read as follows:

6 Unless the context clearly requires otherwise, the definitions in
7 this section apply throughout this chapter.

8 (1) "Transit agency" means a city that operates a transit system,
9 a public transportation benefit area, a county transportation
10 authority, or a metropolitan municipal corporation.

11 (2) The "high occupancy vehicle system" includes high occupancy
12 vehicle lanes, related high occupancy vehicle facilities, and high
13 occupancy vehicle programs.

14 (3) "High occupancy vehicle lanes" mean lanes reserved for public
15 transportation vehicles only or public transportation vehicles and
16 private vehicles carrying no fewer than a specified number of
17 passengers under RCW 46.61.165.

18 (4) "Related facilities" means park and ride lots, park and pool
19 lots, ramps, bypasses, turnouts, signal preemption, and other
20 improvements designed to maximize use of the high occupancy vehicle
21 system.

22 (5) "High occupancy vehicle program" means advertising the high
23 occupancy vehicle system, promoting carpool, vanpool, and transit use,
24 providing vanpool vehicles, and enforcement of driving restrictions
25 governing high occupancy vehicle lanes.

26 (6) "Regional transportation district" or "district" means the
27 regional transportation district established in section 3 of this act.

28 **Sec. 26.** RCW 81.100.060 and 2002 c 56 s 411 are each amended to
29 read as follows:

30 MVET--COUNTIES AND REGIONAL TRANSPORTATION DISTRICT. A county with
31 a population of one million or more and a county with a population of
32 from two hundred ten thousand to less than one million that is
33 adjoining a county with a population of one million or more, having
34 within their boundaries existing or planned high-occupancy vehicle
35 lanes on the state highway system, or having their boundaries
36 coextensive with that of a regional transportation ((investment

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

14 Counties or (~~investment districts~~) a district imposing a tax
15 under this section shall contract, before the effective date of the
16 resolution or ordinance imposing a surcharge, administration and
17 collection to the state department of licensing, and department of
18 revenue, as appropriate, which shall deduct an amount, as provided by
19 contract, for administration and collection expenses incurred by the
20 department. All administrative provisions in chapters 82.03, 82.32,
21 and 82.44 RCW shall, insofar as they are applicable to motor vehicle
22 excise taxes, be applicable to surcharges imposed under this section.
23 All administrative provisions in chapters 82.03, 82.08, 82.12, and
24 82.32 RCW shall, insofar as they are applicable to state sales and use
25 taxes, be applicable to surcharges imposed under this section. In
26 administering this section, the department of licensing and the
27 department of revenue shall collaborate to develop a schedule for
28 determining the value of vehicles subject to the tax that reflects the
29 market value of the vehicle. The valuation process shall provide for
30 a process for appealing the identified value of the vehicle.

31 If the tax authorized in RCW 81.100.030 is also imposed, the total
32 proceeds from tax sources imposed under this section and RCW 81.100.030
33 each year shall not exceed the maximum amount which could be collected
34 under this section.

35 **Sec. 27.** RCW 81.100.080 and 1990 c 43 s 19 are each amended to
36 read as follows:

37 MVET--USES. Funds collected under RCW 81.100.030 or 81.100.060 and

1 any investment earnings accruing thereon shall be used by the county or
2 the regional transportation district in a manner consistent with the
3 regional transportation plan only for costs of collection, costs of
4 preparing, adopting, and enforcing agreements under RCW 81.100.030(3),
5 for construction of high occupancy vehicle lanes and related
6 facilities, mitigation of environmental concerns that result from
7 construction or use of high occupancy vehicle lanes and related
8 facilities, by the regional transportation district for projects
9 contained in a plan developed under sections 1 through 18 of this act,
10 for payment of principal and interest on bonds issued for the purposes
11 of this section, for high occupancy vehicle programs as defined in RCW
12 81.100.020(5), and for commuter rail projects in accordance with RCW
13 81.104.120. Except for funds raised by a regional transportation
14 district, no funds collected under RCW 81.100.030 or 81.100.060 after
15 June 30, 2000, may be pledged for the payment or security of the
16 principal or interest on any bonds issued for the purposes of this
17 section. Not more than ten percent of the funds may be used for
18 transit agency high occupancy vehicle programs.

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

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

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

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

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

31 Counties and the regional transportation district may contract with
32 cities or the state department of transportation for construction of
33 high occupancy vehicle lanes and related facilities, and may issue
34 general obligation bonds to fund such construction and use funds
35 received under this chapter to pay the principal and interest on such
36 bonds.

1 **Sec. 28.** RCW 82.14.430 and 2002 c 56 s 405 are each amended to
2 read as follows:

3 SALES TAX. (1) If approved by the majority of the voters within
4 its boundaries voting on the ballot proposition, a regional
5 transportation (~~((investment))~~) district may impose a sales and use tax
6 of up to (~~((0.5))~~) 0.2 percent of the selling price or value of the
7 article used in the case of a use tax. The tax authorized by this
8 section is in addition to the tax authorized by RCW 82.14.030 and must
9 be collected from those persons who are taxable by the state under
10 chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event
11 within the taxing district. Motor vehicles are exempt from the sales
12 and use tax imposed under this subsection.

13 (2) If approved by the majority of the voters within its boundaries
14 voting on the ballot proposition, a regional transportation
15 (~~((investment))~~) district may impose a tax on the use of a motor vehicle
16 within a regional transportation (~~((investment))~~) district. The tax
17 applies to those persons who reside within the regional transportation
18 (~~((investment))~~) district. The rate of the tax may not exceed 0.5
19 percent of the value of the motor vehicle. The tax authorized by this
20 subsection is in addition to the tax authorized under RCW 82.14.030 and
21 must be imposed and collected at the time a taxable event under RCW
22 82.08.020(1) or 82.12.020 takes place. All revenue received under this
23 subsection must be deposited in the local sales and use tax account and
24 distributed to the regional transportation (~~((investment))~~) district
25 according to RCW 82.14.050. The following provisions apply to the use
26 tax in this subsection:

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

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

32 (c) "Motor vehicle" has the meaning provided in RCW 46.04.320, but
33 does not include farm tractors or farm vehicles as defined in RCW
34 46.04.180 and 46.04.181, off-road and nonhighway vehicles as defined in
35 RCW 46.09.020, and snowmobiles as defined in RCW 46.10.010.

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

37 (e) The value of a motor vehicle must be determined under RCW
38 82.12.010.

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

5 **Sec. 29.** RCW 82.80.005 and 2002 c 56 s 415 are each amended to
6 read as follows:

7 "DISTRICT" DEFINED. For the purposes of this chapter, "district"
8 means a regional transportation (~~investment~~) district created (~~under~~
9 ~~chapter 36.120 RCW~~) in section 3 of this act.

10 **Sec. 30.** RCW 82.80.070 and 2005 c 319 s 139 are each amended to
11 read as follows:

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

27 (2) The local option transportation revenues shall be expended for
28 transportation uses consistent with the adopted transportation and land
29 use plans of the jurisdiction expending the funds and consistent with
30 any applicable and adopted regional transportation plan for
31 metropolitan planning areas.

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

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

4 (b) The program shall be based on an adopted transportation plan
5 for the geographic areas covered and shall identify the proposed
6 operation and construction of transportation improvements and services
7 in the designated plan area intended to be funded in whole or in part
8 by local option transportation revenues and shall identify the annual
9 costs applicable to the program.

10 (c) The program shall indicate how the local transportation plan is
11 coordinated with applicable transportation plans for the region and for
12 adjacent jurisdictions.

13 (d) The program shall include at least a six-year funding plan,
14 updated annually, identifying the specific public and private sources
15 and amounts of revenue necessary to fund the program. The program
16 shall include a proposed schedule for construction of projects and
17 expenditure of revenues. The funding plan shall consider the
18 additional local tax revenue estimated to be generated by new
19 development within the plan area if all or a portion of the additional
20 revenue is proposed to be earmarked as future appropriations for
21 transportation improvements in the program.

22 (4) Local governments with a population greater than eight thousand
23 exercising the authority for local option transportation funds shall
24 periodically review and update their transportation program to ensure
25 that it is consistent with applicable local and regional transportation
26 and land use plans and within the means of estimated public and private
27 revenue available.

28 (5) In the case of expenditure for new or expanded transportation
29 facilities, improvements, and services, priorities in the use of local
30 option transportation revenues shall be identified in the
31 transportation program and expenditures shall be made based upon the
32 following criteria, which are stated in descending order of weight to
33 be attributed:

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

35 (b) Second, it is necessitated by existing or reasonably
36 foreseeable congestion;

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

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

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

7 (6) It is the intent of the legislature that as a condition of
8 levying, receiving, and expending local option transportation revenues,
9 no local government agency use the revenues to replace, divert, or loan
10 any revenues currently being used for transportation purposes to
11 nontransportation purposes.

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

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

20 ~~((9) Subsections (1) through (8) of this section do not apply to
21 a regional transportation investment district imposing a tax or fee
22 under the local option authority of this chapter. Proceeds collected
23 under the exercise of local option authority under this chapter by a
24 district must be used in accordance with chapter 36.120 RCW.))~~

25 **Sec. 31.** RCW 82.80.080 and 2002 c 56 s 414 are each amended to
26 read as follows:

27 DISTRIBUTION OF TAXES. (1) The state treasurer shall distribute
28 revenues, less authorized deductions, generated by the local option
29 taxes authorized in RCW 82.80.010 (~~and 82.80.020~~), levied by counties
30 to the levying counties, and cities contained in those counties, based
31 on the relative per capita population. County population for purposes
32 of this section is equal to one and one-half of the unincorporated
33 population of the county. In calculating the distributions, the state
34 treasurer shall use the population estimates prepared by the state
35 office of financial management and shall further calculate the
36 distribution based on information supplied by the departments of
37 licensing and revenue, as appropriate.

1 (2) The state treasurer shall distribute revenues, less authorized
2 deductions, generated by the local option taxes authorized in RCW
3 82.80.010 (~~and 82.80.020~~) levied by qualifying cities and towns to
4 the levying cities and towns.

5 (3) The state treasurer shall distribute to the district revenues,
6 less authorized deductions, generated by the local option taxes under
7 RCW 82.80.010 or fees under RCW 82.80.100 levied by ((a)) the district.

8 **Sec. 32.** RCW 82.80.100 and 2002 c 56 s 408 are each amended to
9 read as follows:

10 VEHICLE FEE. (1) Upon approval of a majority of the voters within
11 its boundaries voting on the ballot proposition, a regional
12 transportation ((investment)) district may set and impose an annual
13 local option vehicle license fee, or a schedule of fees based upon the
14 age of the vehicle, of up to one hundred dollars per motor vehicle
15 registered within the boundaries of the region on every motor vehicle.
16 As used in this section "motor vehicle" has the meaning provided in RCW
17 46.04.320, but does not include farm tractors or farm vehicles as
18 defined in RCW 46.04.180 and 46.04.181, off-road and nonhighway
19 vehicles as defined in RCW 46.09.020, and snowmobiles as defined in RCW
20 46.10.010. Vehicles registered under chapter 46.87 RCW and the
21 international registration plan are exempt from the annual local option
22 vehicle license fee set forth in this section. The department of
23 licensing shall administer and collect this fee on behalf of regional
24 transportation ((investment)) districts and remit this fee to the
25 custody of the state treasurer for monthly distribution under RCW
26 82.80.080.

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

30 (~~(3))~~) A regional transportation ((investment)) district imposing
31 the local option vehicle license fee or initiating an exemption process
32 shall enter into a contract with the department of licensing. The
33 contract must contain provisions that fully recover the costs to the
34 department of licensing for collection and administration of the fee.

35 ((~~(4))~~) (3) A regional transportation ((investment)) district
36 imposing the local option fee shall delay the effective date of the
37 local option vehicle license fee imposed by this section at least six

1 months from the date of the final certification of the approval
2 election to allow the department of licensing to implement the
3 administration and collection of or exemption from the fee.

4 **Sec. 33.** RCW 47.56.010 and 2002 c 114 s 2 are each amended to read
5 as follows:

6 As used in this chapter:

7 (1) "Toll bridge" means a bridge constructed or acquired under this
8 chapter, upon which tolls are charged, together with all appurtenances,
9 additions, alterations, improvements, and replacements thereof, and the
10 approaches thereto, and all lands and interests used therefor, and
11 buildings and improvements thereon.

12 (2) "Toll road" means any express highway, superhighway, or
13 motorway at such locations and between such termini as may be
14 established by law, and constructed or to be constructed as a limited
15 access highway under the provisions of this chapter by the department,
16 and shall include, but not be limited to, all bridges, tunnels,
17 overpasses, underpasses, interchanges, entrance plazas, approaches,
18 toll houses, service areas, service facilities, communications
19 facilities, and administration, storage, and other buildings that the
20 department may deem necessary for the operation of the project,
21 together with all property, rights, easements, and interests that may
22 be acquired by the department for the construction or the operation of
23 the project, all of which shall be conducted in the same manner and
24 under the same procedure as provided for the establishing,
25 constructing, operating, and maintaining of toll bridges by the
26 department, insofar as those procedures are reasonably consistent and
27 applicable.

28 (3) "1950 Tacoma Narrows bridge" means the bridge crossing the
29 Tacoma Narrows that was opened to vehicle travel in 1950.

30 (4) "Regional transportation commission" means the regional
31 transportation commission created in section 4 of this act.

32 (5) "Regional transportation district" means the regional
33 transportation district created in section 3 of this act.

34 **Sec. 34.** RCW 47.56.075 and 2002 c 56 s 404 are each amended to
35 read as follows:

36 DOT TOLL ROAD AUTHORITY TO REGIONAL TRANSPORTATION DISTRICT. The

1 department shall approve for construction only such toll roads as the
2 legislature specifically authorizes or such toll facilities as are
3 specifically sponsored by ((a)) the regional transportation
4 ((investment)) district, or a city, town, or county.

5 **Sec. 35.** RCW 47.56.076 and 2005 c 335 s 3 are each amended to read
6 as follows:

7 Upon approval of a majority of the voters within its boundaries
8 voting on the ballot proposition, and ~~((only for the purposes~~
9 ~~authorized in RCW 36.120.050(1)(g))~~ with the approval of the
10 transportation commission, or its successor, ((a)) the regional
11 transportation ((investment)) district may authorize vehicle tolls on
12 a state ((routes where improvements financed in whole or in part by a
13 ~~regional transportation investment district add additional lanes to, or~~
14 ~~reconstruct lanes on, a highway of statewide significance))~~ or federal
15 highway within the boundaries of the district. The department shall
16 administer the collection of vehicle tolls authorized on designated
17 facilities unless otherwise specified in law or by contract, and the
18 state transportation commission, or its successor, shall ~~((be the~~
19 ~~tolling authority))~~ set and impose the tolls, based on value-pricing,
20 in amounts sufficient to implement the regional transportation
21 investment plan.

22 NEW SECTION. **Sec. 36.** A new section is added to chapter 47.56 RCW
23 to read as follows:

24 I-90/SR 520 TOLLING. Notwithstanding any provision to the contrary
25 in this chapter, the regional transportation commission may impose
26 vehicle tolls on either Lake Washington bridge upon approval of a
27 majority of the voters voting on a regional transportation investment
28 plan ballot measure within its boundaries and to implement an
29 investment plan as authorized in sections 1 through 18 of this act and
30 RCW 47.56.076.

31 **PART V**
32 **MODIFYING TRANSIT GOVERNANCE**

33 **Sec. 37.** RCW 81.112.010 and 1992 c 101 s 1 are each amended to
34 read as follows:

1 The legislature recognizes that existing transportation facilities
2 in the central Puget Sound area are inadequate to address mobility
3 needs of the area. The geography of the region(~~(τ)~~) and travel demand
4 growth(~~(, and public resistance to new roadways combine to further)~~)
5 necessitate the rapid development of (~~(alternative)~~) multiple modes of
6 travel.

7 The legislature finds that local governments have been effective in
8 cooperatively planning a multicounty, high capacity transportation
9 system. However, a continued multijurisdictional approach to funding,
10 construction, and operation of a multicounty high capacity
11 transportation system may impair the successful implementation of such
12 a system.

13 The legislature finds that a single agency will be more effective
14 than several local jurisdictions working collectively at planning,
15 developing, operating, and funding a high capacity transportation
16 system. The single agency's services must be carefully integrated and
17 coordinated with public transportation services currently provided. As
18 the single agency's services are established, any public transportation
19 services currently provided that are duplicative should be eliminated.
20 Further, the single agency must coordinate its activities with other
21 agencies providing local and state roadway services, implementing
22 comprehensive planning, and implementing transportation demand
23 management programs and assist in developing infrastructure to support
24 high capacity systems including but not limited to feeder systems, park
25 and ride facilities, intermodal centers, and related roadway and
26 operational facilities. Coordination can be best achieved through
27 common governance, such as integrated governing boards.

28 It is therefore the policy of the state of Washington to empower
29 counties in the state's most populous region to create a local agency
30 for planning and implementing public transportation systems and a high
31 capacity transportation system within that region. The authorization
32 for such an agency, except as specifically provided in this chapter, is
33 not intended to limit the powers of existing transit agencies.

34 **Sec. 38.** RCW 81.112.020 and 1999 c 20 s 2 are each amended to read
35 as follows:

36 Unless the context clearly requires otherwise, the definitions in
37 this section apply throughout this chapter.

1 (1) "Authority" means a regional transit authority authorized under
2 this chapter.

3 (2) "Board" means the board of a regional transit authority.

4 (3) "Service area" or "area" means the area included within the
5 boundaries of a regional transit authority.

6 (4) "System" means a regional transit system or local public
7 transportation system authorized under this chapter and under the
8 jurisdiction of a regional transit authority.

9 (5) "Facilities" means any lands, interest in land, air rights over
10 lands, and structures, including improvements thereto (~~((including))~~) and
11 vessel terminals, and any equipment, vehicles, vessels, and other
12 components necessary to support (~~((the))~~) a system.

13 (6) "Proof of payment" means evidence of fare prepayment authorized
14 by a regional transit authority for the use of trains, including but
15 not limited to commuter trains and light rail trains.

16 (7) "Local public transportation system" means a system of public
17 transportation services, including the services and facilities
18 necessary to implement the system, excluding a public monorail
19 transportation facility under chapter 35.95A RCW.

20 (8) "Regional transportation commission" means the regional
21 transportation commission established under section 4 of this act.

22 (9) "Regional transportation investment plan" or "plan" means the
23 regional transportation investment plan as defined in section 2 of this
24 act.

25 (10) "Regional transportation district" or "district" means the
26 regional transportation district created in section 3 of this act.

27 **Sec. 39.** RCW 81.112.030 and 1994 c 44 s 1 are each amended to read
28 as follows:

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

34 ~~((The authority shall be formed in the following manner:~~

35 ~~(1) The joint regional policy committee created pursuant to RCW~~
36 ~~81.104.040 shall adopt a system and financing plan, including the~~
37 ~~definition of the service area. This action shall be completed by~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 ~~If the authority is unable to achieve a positive vote on a~~
15 ~~proposition within two years from the date of the first election on a~~
16 ~~proposition, the board may, by resolution, reconstitute the authority~~
17 ~~as a single county body. With a two thirds vote of the entire~~
18 ~~membership of the voting members, the board may also dissolve the~~
19 ~~authority.))~~

20 **Sec. 40.** RCW 81.112.040 and 1994 c 109 s 1 are each amended to
21 read as follows:

22 (1) The regional transit authority shall be governed by a board
23 consisting of representatives appointed by the county executive and
24 confirmed by the council or other legislative authority of each member
25 county. Membership shall be based on population from that portion of
26 each county which lies within the service area. Board members shall be
27 appointed initially on the basis of one for each one hundred forty-five
28 thousand population within the county. Such appointments shall be made
29 following consultation with city and town jurisdictions within the
30 service area. In addition, the secretary of transportation or the
31 secretary's designee shall serve as a member of the board and may have
32 voting status with approval of a majority of the other members of the
33 board. Only board members, not including alternates or designees, may
34 cast votes.

35 Each member of the board, except the secretary of transportation or
36 the secretary's designee, shall be:

1 (a) An elected official who serves on the legislative authority of
2 a city or as mayor of a city within the boundaries of the authority;

3 (b) On the legislative authority of the county, if fifty percent of
4 the population of the legislative official's district is within the
5 authority boundaries; or

6 (c) A county executive from a member county within the authority
7 boundaries.

8 When making appointments, each county executive shall ensure that
9 representation on the board includes an elected city official
10 representing the largest city in each county and assures proportional
11 representation from other cities, and representation from
12 unincorporated areas of each county within the service area. At least
13 one-half of all appointees from each county shall serve on the
14 governing authority of a public transportation system.

15 Members appointed from each county shall serve staggered four-year
16 terms. Vacancies shall be filled by appointment for the remainder of
17 the unexpired term of the position being vacated.

18 The governing board shall be reconstituted, with regard to the
19 number of representatives from each county, on a population basis,
20 using the official office of financial management population estimates,
21 five years after its initial formation and, at minimum, in the year
22 following each official federal census. The board membership may be
23 reduced, maintained, or expanded to reflect population changes but
24 under no circumstances may the board membership exceed twenty-five.

25 (2) Major decisions of the authority shall require a favorable vote
26 of two-thirds of the entire membership of the voting members. "Major
27 decisions" include at least the following: System plan adoption and
28 amendment; system phasing decisions; annual budget adoption;
29 authorization of annexations; modification of board composition; and
30 executive director employment.

31 (3) Each member of the board is eligible to be reimbursed for
32 travel expenses in accordance with RCW 43.03.050 and 43.03.060 and to
33 receive compensation as provided in RCW 43.03.250.

34 (4) The board shall form an advisory committee of cities within its
35 jurisdiction.

36 **Sec. 41.** RCW 81.112.050 and 1998 c 192 s 1 are each amended to
37 read as follows:

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

11 ~~(2) ((After voters within the authority boundaries have approved
12 the system and financing plan, elections to add areas contiguous to the
13 authority boundaries may be called by resolution of the regional
14 transit authority, after consultation with affected transit agencies
15 and with the concurrence of the legislative authority of the city or
16 town if the area is incorporated, or with the concurrence of the county
17 legislative authority if the area is unincorporated. Only those areas
18 that would benefit from the services provided by the authority may be
19 included and services or projects proposed for the area must be
20 consistent with the regional transportation plan. The election may
21 include a single ballot proposition providing for annexation to the
22 authority boundaries and imposition of the taxes at rates already
23 imposed within the authority boundaries.~~

24 ~~(3) Upon receipt of a resolution requesting exclusion from the
25 boundaries of the authority from a city whose municipal boundaries
26 cross the boundaries of an authority and thereby result in only a
27 portion of the city being subject to local option taxes imposed by the
28 authority under chapters 81.104 and 81.112 RCW in order to implement a
29 high capacity transit plan, and where the vote to approve the city's
30 incorporation occurred simultaneously with an election approving the
31 local option taxes, then upon a two thirds majority vote of the
32 governing board of the authority, the governing board shall redraw the
33 boundaries of the authority to exclude that portion of the city that is
34 located within the authority's boundaries, and the excluded area is no
35 longer subject to local option taxes imposed by the authority. This
36 subsection expires December 31, 1998)) Effective January 1, 2007, the
37 authority boundaries shall be determined by the regional transportation~~

1 commission and shall, to the extent deemed appropriate by the
2 commission, be coextensive with the boundaries of the regional
3 transportation district.

4 (3) After the transfer of local public transportation systems to
5 the regional transit authority, as specified in section 45 of this act,
6 the authority shall maintain public transportation facilities and
7 services for citizens of the acquired local transportation systems who
8 reside outside the boundaries of the authority and within the local
9 transportation system area at existing levels unless and until such
10 time as (a) the regional transportation commission modifies the
11 boundaries of the authority to include the entire area served by the
12 local public transportation system, and (b) such facilities and
13 services are modified by a regional transportation investment plan
14 approved by voters.

15 **Sec. 42.** RCW 81.112.070 and 1992 c 101 s 7 are each amended to
16 read as follows:

17 In addition to the powers specifically granted by this chapter, an
18 authority shall have all powers necessary to implement ((a—high
19 capacity transportation)) systems, which after January 1, 2007, must be
20 in accordance with a regional transportation investment plan, and to
21 develop revenues ((for system)) to support these systems. An authority
22 may:

23 (1) Contract with the United States or any agency thereof, any
24 state or agency thereof, any public transportation benefit area, any
25 county, county transportation authority, city, metropolitan municipal
26 corporation, special district, or governmental agency, within or
27 without the state, and any private person, firm, or corporation for:
28 ((+1)) (a) The purpose of receiving gifts or grants or securing loans
29 or advances for preliminary planning and feasibility studies; ((+2))
30 (b) the design, construction, or operation of ((high—capacity
31 transportation)) system facilities; or ((+3)) (c) the provision or
32 receipt of services, facilities, or property rights to provide revenues
33 for ((the)) a system((.— An authority shall have the power to));

34 (2) Contract pursuant to RCW 39.33.050((.— In addition, an
35 authority may)); and

36 (3) Contract with any governmental agency or with any private
37 person, firm, or corporation for the use by either contracting party of

1 all or any part of the facilities, structures, lands, interests in
2 lands, air rights over lands and rights of way of all kinds which are
3 owned, leased, or held by the other party and for the purpose of
4 planning, constructing, or operating any facility or performing any
5 service that the authority may be authorized to operate or perform, on
6 such terms as may be agreed upon by the contracting parties. However,
7 before any contract for the lease or operation of any authority
8 facilities is let to any private person, firm, or corporation, a
9 general schedule of rental rates for equipment with or without
10 operators applicable to all private certificated carriers shall be
11 publicly posted, and for other facilities competitive bids shall first
12 be called upon such notice, bidder qualifications, and bid conditions
13 as the board shall determine. This shall allow use of negotiated
14 procurements.

15 **Sec. 43.** RCW 81.112.080 and 1992 c 101 s 8 are each amended to
16 read as follows:

17 An authority shall have the following powers in addition to the
18 general powers granted by this chapter:

19 (1) To carry out the planning processes set forth in RCW
20 81.104.100, if after January 1, 2007, all system planning and ballot
21 measures for voter approval are approved by the regional transportation
22 commission and integrated into a regional transportation investment
23 plan;

24 (2) To acquire by purchase, condemnation, gift, or grant and to
25 lease, construct, add to, improve, replace, repair, maintain, operate,
26 and regulate the use of high capacity transportation facilities and
27 properties within authority boundaries including surface, underground,
28 or overhead railways, tramways, busways, buses, bus sets, entrained and
29 linked buses, ferries, or other means of local transportation except
30 taxis, and including escalators, moving sidewalks, personal rapid
31 transit systems or other people-moving systems, passenger terminal and
32 parking facilities and properties, and such other facilities and
33 properties as may be necessary for passenger, vehicular, and vessel
34 access to and from such people-moving systems, terminal and parking
35 facilities and properties, together with all lands, rights of way,
36 property, equipment, and accessories necessary for such high capacity
37 transportation systems. When developing specifications for high

1 capacity transportation system operating equipment, an authority shall
2 take into account efforts to establish or sustain a domestic
3 manufacturing capacity for such equipment. The right of eminent domain
4 shall be exercised by an authority in the same manner and by the same
5 procedure as or may be provided by law for cities of the first class,
6 except insofar as such laws may be inconsistent with the provisions of
7 this chapter. Public transportation facilities and properties which
8 are owned by any city, county, county transportation authority, public
9 transportation benefit area, or metropolitan municipal corporation may
10 be acquired or used by an authority only with the consent of the agency
11 owning such facilities. Such agencies are hereby authorized to convey
12 or lease such facilities to an authority or to contract for their joint
13 use on such terms as may be fixed by agreement between the agency and
14 the authority((-

15 ~~The facilities and properties of an authority whose vehicles will~~
16 ~~operate primarily within the rights of way of public streets, roads, or~~
17 ~~highways, may be acquired, developed, and operated without the corridor~~
18 ~~and design hearings that are required by RCW 35.58.273 for mass transit~~
19 ~~facilities operating on a separate right of way));~~

20 (3) To dispose of any real or personal property acquired in
21 connection with any authority function and that is no longer required
22 for the purposes of the authority, in the same manner as provided for
23 cities of the first class. When an authority determines that a
24 facility or any part thereof that has been acquired from any public
25 agency without compensation is no longer required for authority
26 purposes, but is required by the agency from which it was acquired, the
27 authority shall by resolution transfer it to such agency;

28 (4) To fix rates, tolls, fares, and charges for the use of such
29 facilities and to establish various routes and classes of service.
30 Fares or charges may be adjusted or eliminated for any distinguishable
31 class of users.

32 **Sec. 44.** RCW 81.112.110 and 1992 c 101 s 11 are each amended to
33 read as follows:

34 If an authority acquires any existing components of a high capacity
35 transportation system, it shall assume and observe all existing labor
36 contracts relating to the transportation system and, to the extent
37 necessary for operation of facilities, all of the employees of such

1 acquired transportation system whose duties are necessary to operate
2 efficiently the facilities acquired shall be appointed to comparable
3 positions to those which they held at the time of such transfer, and no
4 employee or retired or pensioned employee of such transportation
5 systems shall be placed in any worse position with respect to pension
6 seniority, wages, sick leave, vacation or other benefits that he or she
7 enjoyed as an employee of the transportation system prior to such
8 acquisition. At such times as may be required by such contracts, the
9 authority shall engage in collective bargaining with the duly appointed
10 representatives of any employee labor organization having existing
11 contracts with the acquired transportation system and may enter into
12 labor contracts with such employee labor organization. Facilities and
13 equipment (~~(which are acquired after July 1, 1993,)~~) related to high
14 capacity transportation services which are to be assumed by the
15 authority as specifically identified in the adopted system plan shall
16 be acquired by the authority in a manner consistent with RCW 81.112.070
17 through 81.112.100.

18 NEW SECTION. **Sec. 45.** A new section is added to chapter 81.112
19 RCW to read as follows:

20 (1) Within one year after the effective date of this section, all
21 local public transportation systems shall be transferred to, and
22 acquired by, a regional transit authority if the systems are operated
23 by a city, county, county transportation authority, public
24 transportation benefit area, or municipal corporation, partly or wholly
25 within the boundary of the regional transit authority. An authority
26 shall exercise all rights with respect to the construction,
27 acquisition, maintenance, operation, extension, alteration, repair,
28 control, and management of local public transportation systems that any
29 city, county, county transportation authority, metropolitan municipal
30 corporation, or public transportation benefit area, located partly or
31 wholly within the authority boundary, has been previously empowered to
32 exercise, and these powers shall not be exercised thereafter by these
33 agencies without the consent of the authority.

34 (2) The transfer of the powers, duties, functions, and personnel of
35 any transit agency to an authority does not affect the validity of any
36 act performed before the effective date of this section.

1 (3) All existing rights, contracts, and obligations shall remain in
2 full force and shall be enforceable by or against the authority upon
3 the acquisition of a local public transportation system from a city,
4 county, county transportation authority, public transportation benefit
5 area, or municipal corporation.

6 (4) The powers, duties, functions, and performance of the regional
7 transit authority shall be governed by the regional transportation
8 commission to develop and implement a regional transportation
9 investment plan.

10 NEW SECTION. **Sec. 46.** A new section is added to chapter 81.112
11 RCW to read as follows:

12 (1) Except in accordance with an agreement made in subsection (2)
13 of this section, upon the date an authority begins to operate a local
14 public transportation system, no person or private corporation may
15 operate a similar system or service within the area covered by the
16 system, with the exception of services owned or operated by any
17 corporation or organization solely for the purposes of the corporation
18 or organization and for the use of which no fee or fare is charged.

19 (2) The authority and any person or corporation legally operating
20 a local public transportation system wholly within or partly within and
21 partly without the authority boundary on the date an authority begins
22 operating the system may enter into an agreement under which the person
23 or corporation may continue to operate the system or any part thereof
24 for such time and upon such terms and conditions as provided in the
25 agreement. The agreement shall provide for a periodic review of the
26 terms and conditions contained therein. Where any local public
27 transportation system is required to cease operation within the
28 authority boundary, the authority may agree with the owner of the
29 system to purchase the assets used in providing the service, or if no
30 agreement can be reached, an authority shall condemn the assets in the
31 manner and by the same procedure as is or may be provided by law for
32 the condemnation of other properties for cities of the first class,
33 except to such an extent that the laws may be inconsistent with this
34 chapter.

35 (3) Wherever a privately owned public carrier operates wholly or
36 partly within an authority boundary, the Washington utilities and

1 transportation commission shall continue to exercise jurisdiction over
2 such operation as provided by law.

3 NEW SECTION. **Sec. 47.** A new section is added to chapter 81.112
4 RCW to read as follows:

5 With respect to any local public transportation system and property
6 acquired under section 45 of this act, a regional transit authority has
7 the following powers in addition to any other powers granted by this
8 chapter:

9 (1) To acquire by purchase, condemnation, gift, or grant, and to
10 lease, construct, add to, improve, replace, repair, maintain, operate,
11 and regulate the use of local public transportation systems and
12 properties, including those systems specified in RCW 81.112.080(2).
13 The right of eminent domain shall be exercised by an authority in the
14 same manner and by the same procedure as, or may be provided by law
15 for, first class cities, except insofar as such laws may be
16 inconsistent with the provisions of this chapter;

17 (2) To dispose of any real or personal property acquired in
18 connection with any authority function related to the operation of a
19 local public transportation system that is no longer required for the
20 purposes of the authority, in the same manner as provided for first
21 class cities. When an authority determines that a facility or any part
22 thereof, that has been acquired from a public agency without
23 compensation, is no longer required for authority purposes, but is
24 required by the agency from which it was acquired, the authority shall,
25 by resolution, transfer it to the agency;

26 (3) To fix rates, tolls, fares, and charges for the use of local
27 public transportation system facilities and to establish various routes
28 and classes of service. Fares or charges may be adjusted or eliminated
29 for any distinguishable class of users;

30 (4) To set and impose any tax authorized, and only to the extent
31 permitted:

32 (a) By chapter 35.58 RCW for an acquired metropolitan municipal
33 corporation;

34 (b) By chapter 36.57A RCW for an acquired public transportation
35 benefit area;

36 (c) By chapter 35.95 RCW for an acquired public transportation
37 system of a municipality; and

1 (d) As otherwise provided by law for a local public transportation
2 system;

3 However, any tax referenced in (a) through (d) of this subsection
4 must be (i) used only for funding local and regional public
5 transportation and high capacity transportation projects, (ii)
6 identified in the regional transportation investment plan, and (iii)
7 approved by the voters as set forth in section 15 of this act.

8 NEW SECTION. **Sec. 48.** A new section is added to chapter 81.112
9 RCW to read as follows:

10 In addition to any other powers granted by this chapter, a regional
11 transit authority has the power to set and impose any tax authorized by
12 chapter 35.95A RCW with respect to a city transportation authority, but
13 only (1) for funding nonmonorail, high capacity transportation projects
14 in the authority area as defined in RCW 35.95A.010, and (2) after
15 retirement of the existing debt incurred by the city transportation
16 authority as of January 1, 2006.

17 **Sec. 49.** RCW 35.95.020 and 1975 1st ex.s. c 270 s 3 are each
18 amended to read as follows:

19 The following terms however used or referred to in this chapter,
20 shall have the following meanings, unless a different meaning is
21 required by the context:

22 (1) "Corporate authority" shall mean the council or other
23 legislative body of a municipality.

24 (2)(a) "Municipality" shall mean any incorporated city, town,
25 county pursuant to RCW 36.57.100 and 36.57.110, any county
26 transportation authority created pursuant to chapter 36.57 RCW, any
27 public transportation benefit area created pursuant to chapter 36.57A
28 RCW, or any metropolitan municipal corporation created pursuant to RCW
29 35.58.010, et seq: PROVIDED, That the term "municipality" shall mean
30 in respect to any county performing the public transportation function
31 pursuant to RCW 36.57.100 and 36.57.110 only that portion of the
32 unincorporated area lying wholly within such unincorporated
33 transportation benefit area.

34 (b) "Municipality" does not include any local transportation agency
35 described in (a) of this subsection if the boundary of the agency is

1 located wholly within the boundary of an authority, as defined in RCW
2 81.112.020.

3 (3) "Person" shall mean any individual, firm, partnership,
4 corporation, company, association, joint stock association, school
5 district or political subdivision of the state, fraternal, benevolent,
6 religious or charitable society, club or organization, and shall
7 include any trustee, receiver, assignee, or other person acting in a
8 similar representative capacity. The term "person" shall not be
9 construed to include the United States nor the state of Washington.

10 **Sec. 50.** RCW 35.95A.030 and 2002 c 248 s 3 are each amended to
11 read as follows:

12 (1) A city that undertakes to propose creation of an authority must
13 propose the authority by ordinance of the city legislative body. The
14 ordinance must:

15 (a) Propose the authority area and the size and method of selection
16 of the governing body of the authority, which governing body may be
17 appointed or elected, provided that officers or employees of any single
18 city government body may not compose a majority of the members of the
19 authority's governing body;

20 (b) Propose whether all or a specified portion of the public
21 monorail transportation function will be exercised by the authority;

22 (c) Propose an initial array of taxes to be voted upon by the
23 electors within the proposed authority area; and

24 (d) Provide for an interim governing body of the authority which
25 will govern the authority upon voter approval of formation of the
26 authority, until a permanent governing body is selected, but in no
27 event longer than fourteen months.

28 (2) An authority may also be proposed to be created by a petition
29 setting forth the matters described in subsection (1) of this section,
30 and signed by one percent of the qualified electors of the proposed
31 authority area.

32 (3) Upon approval by the qualified electors of the formation of the
33 city transportation authority and any proposed taxes, either by
34 ordinance or by petition as provided in this chapter, the governing
35 body of an authority, or interim governing body, as applicable, will
36 adopt bylaws determining, among other things, the authority's officers

1 and the method of their selection, and other matters the governing body
2 deems appropriate.

3 (4) The governing body of an authority located wholly within the
4 boundaries of a regional transit authority as defined in RCW 81.112.020
5 has no power to set or impose any tax otherwise authorized by this
6 chapter, except as necessary to retire the existing debt incurred by
7 the city transportation authority as of January 1, 2006.

8 **Sec. 51.** RCW 82.14.045 and 2001 c 89 s 3 are each amended to read
9 as follows:

10 (1) The legislative body of any city pursuant to RCW 35.92.060, of
11 any county which has created an unincorporated transportation benefit
12 area pursuant to RCW 36.57.100 and 36.57.110, of any public
13 transportation benefit area pursuant to RCW 36.57A.080 and 36.57A.090,
14 of any county transportation authority established pursuant to chapter
15 36.57 RCW, and of any metropolitan municipal corporation within a
16 county with a population of one million or more pursuant to chapter
17 35.58 RCW, may, by resolution or ordinance for the sole purpose of
18 providing funds for the operation, maintenance, or capital needs of
19 public transportation systems or public transportation limited to
20 persons with special needs under RCW 36.57.130 and 36.57A.180, and in
21 lieu of the excise taxes authorized by RCW 35.95.040, submit an
22 authorizing proposition to the voters or include such authorization in
23 a proposition to perform the function of public transportation or
24 public transportation limited to persons with special needs under RCW
25 36.57.130 and 36.57A.180, and if approved by a majority of persons
26 voting thereon, (~~fix and~~) impose a sales and use tax in accordance
27 with the terms of this chapter: PROVIDED, That no such legislative
28 body shall impose such a sales and use tax without submitting such an
29 authorizing proposition to the voters and obtaining the approval of a
30 majority of persons voting thereon: PROVIDED FURTHER, That where such
31 a proposition is submitted by a county on behalf of an unincorporated
32 transportation benefit area, it shall be voted upon by the voters
33 residing within the boundaries of such unincorporated transportation
34 benefit area and, if approved, the sales and use tax shall be imposed
35 only within such area. Notwithstanding any provisions of this section
36 to the contrary, any county in which a county public transportation
37 plan has been adopted pursuant to RCW 36.57.070 and the voters of such

1 county have authorized the imposition of a sales and use tax pursuant
2 to the provisions of section 10, chapter 167, Laws of 1974 ex. sess.,
3 prior to July 1, 1975, shall be authorized to fix and impose a sales
4 and use tax as provided in this section at not to exceed the rate so
5 authorized without additional approval of the voters of such county as
6 otherwise required by this section.

7 The tax authorized pursuant to this section shall be in addition to
8 the tax authorized by RCW 82.14.030 and shall be collected from those
9 persons who are taxable by the state pursuant to chapters 82.08 and
10 82.12 RCW upon the occurrence of any taxable event within such city,
11 public transportation benefit area, county, or metropolitan municipal
12 corporation as the case may be. The rate of such tax shall be one-
13 tenth, two-tenths, three-tenths, four-tenths, five-tenths, six-tenths,
14 seven-tenths, eight-tenths, or nine-tenths of one percent of the
15 selling price (in the case of a sales tax) or value of the article used
16 (in the case of a use tax). The rate of such tax shall not exceed the
17 rate authorized by the voters unless such increase shall be similarly
18 approved.

19 (2)(a) In the event a metropolitan municipal corporation shall
20 impose a sales and use tax pursuant to this chapter no city, county
21 which has created an unincorporated transportation benefit area, public
22 transportation benefit area authority, or county transportation
23 authority wholly within such metropolitan municipal corporation shall
24 be empowered to (~~levy and/or collect~~) impose taxes pursuant to RCW
25 (~~(35.58.273,)~~) 35.95.040(~~(, and/or 82.14.045)~~) or this section, but
26 nothing herein shall prevent such city or county from imposing sales
27 and use taxes pursuant to any other authorization.

28 (b) In the event a county transportation authority shall impose a
29 sales and use tax pursuant to this section, no city, county which has
30 created an unincorporated transportation benefit area, public
31 transportation benefit area, or metropolitan municipal corporation,
32 located within the territory of the authority, shall be empowered to
33 (~~levy or collect~~) impose taxes pursuant to RCW (~~(35.58.273,)~~)
34 35.95.040(~~(,)~~) or (~~(82.14.045)~~) this section.

35 (c) In the event a public transportation benefit area shall impose
36 a sales and use tax pursuant to this section, no city, county which has
37 created an unincorporated transportation benefit area, or metropolitan
38 municipal corporation, located wholly or partly within the territory of

1 the public transportation benefit area, shall be empowered to (~~levy or~~
2 ~~collect~~) impose taxes pursuant to RCW (~~(35.58.273,)~~) 35.95.040(~~(,)~~) or
3 (~~(82.14.045)~~) this section.

4 (3) (~~Any local sales and use tax revenue collected pursuant to~~
5 ~~this section by any city or by any county for transportation purposes~~
6 ~~pursuant to RCW 36.57.100 and 36.57.110 shall not be counted as locally~~
7 ~~generated tax revenues for the purposes of apportionment and~~
8 ~~distribution, in the manner prescribed by chapter 82.44 RCW, of the~~
9 ~~proceeds of the motor vehicle excise tax authorized pursuant to RCW~~
10 ~~35.58.273, except that the local sales and use tax revenue collected~~
11 ~~under this section by a city with a population greater than sixty~~
12 ~~thousand that as of January 1, 1998, owns and operates a municipal~~
13 ~~public transportation system shall be counted as locally generated tax~~
14 ~~revenues for the purposes of apportionment and distribution, in the~~
15 ~~manner prescribed by chapter 82.44 RCW, of the proceeds of the motor~~
16 ~~vehicle excise tax authorized under RCW 35.58.273 as follows:~~

17 (a) ~~For fiscal year 2000, revenues collected under this section~~
18 ~~shall be counted as locally generated tax revenues for up to 25 percent~~
19 ~~of the tax collected under RCW 35.58.273;~~

20 (b) ~~For fiscal year 2001, revenues collected under this section~~
21 ~~shall be counted as locally generated tax revenues for up to 50 percent~~
22 ~~of the tax collected under RCW 35.58.273;~~

23 (c) ~~For fiscal year 2002, revenues collected under this section~~
24 ~~shall be counted as locally generated tax revenues for up to 75 percent~~
25 ~~of the tax collected under RCW 35.58.273; and~~

26 (d) ~~For fiscal year 2003 and thereafter, revenues collected under~~
27 ~~this section shall be counted as locally generated tax revenues for up~~
28 ~~to 100 percent of the tax collected under RCW 35.58.273)) No
29 transportation agency otherwise eligible to impose the sales and use
30 tax authorized in subsection (1) of this section shall impose the tax
31 authorized in subsection (1) of this section if the services and
32 facilities of the agency are acquired by a regional transit authority
33 under section 45 of this act.~~

34 NEW SECTION. Sec. 52. A new section is added to chapter 43.09 RCW
35 to read as follows:

36 (1) Every four years, the state auditor shall conduct a performance
37 audit and evaluation of the regional transportation commission

1 established under section 4 of this act, including the commission's
2 financial transactions, personnel, equipment, facilities, and all other
3 aspects of the commission's operations.

4 (2) Every four years, the state auditor shall conduct a performance
5 audit and evaluation of the regional transit authority established
6 under chapter 81.112 RCW. The audit shall review, but not be limited
7 to, vehicle dispatch operating technology and management systems, fleet
8 maintenance and operations, route mapping, scheduling operating
9 systems, and financial and administrative practices. A benchmarking
10 performance audit shall be completed no later than ninety days after
11 the effective date of this section.

12 **PART VI**

13 **MISCELLANEOUS PROVISIONS**

14 NEW SECTION. **Sec. 53.** A new section is added to chapter 36.57A
15 RCW to read as follows:

16 The governing body of an authority located wholly or partly within
17 the boundaries of a regional transit authority, as defined in RCW
18 81.112.020, shall be the regional transit authority or such other
19 entity determined by the regional transportation commission to
20 implement a regional transportation investment plan under this act.

21 NEW SECTION. **Sec. 54.** A new section is added to chapter 35.58 RCW
22 to read as follows:

23 The governing body of a metropolitan municipal corporation located
24 wholly or partly within the boundaries of a regional transit authority,
25 as defined in RCW 81.112.020, shall be the regional transit authority
26 or such other entity determined by the regional transportation
27 commission to implement a regional transportation investment plan under
28 this act.

29 NEW SECTION. **Sec. 55.** A new section is added to chapter 35.95 RCW
30 to read as follows:

31 The governing body of a municipally owned or leased and municipally
32 operated public transportation system located wholly or partly within
33 the boundaries of a regional transit authority, as defined in RCW

1 81.112.020, shall be the regional transit authority or such other
2 entity determined by the regional transportation commission to
3 implement a regional transportation investment plan under this act.

4 **Sec. 56.** RCW 47.06.130 and 2002 c 5 s 404 are each amended to read
5 as follows:

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

9 (2) The department, jointly with the regional transportation
10 commission established in section 4 of this act, and with respect to
11 the analysis of any area within the regional transportation district
12 established in section 3 of this act, shall conduct multimodal corridor
13 analyses on major congested corridors where needed improvements are
14 likely to cost in excess of one hundred million dollars. Analysis will
15 include the cost-effectiveness of all feasible strategies in addressing
16 congestion or improving mobility within the corridor, and must
17 recommend the most effective strategy or mix of strategies to address
18 identified deficiencies. A long-term view of corridors must be
19 employed to determine whether an existing corridor should be expanded,
20 a city or county road should become a state route, and whether a new
21 corridor is needed to alleviate congestion and enhance mobility based
22 on travel demand. To the extent practicable, full costs of all
23 strategies must be reflected in the analysis. At a minimum, this
24 analysis must include:

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

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

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

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

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

35 The end result of this analysis will be to provide a cost-benefit
36 analysis by which policymakers can determine the most cost-effective

1 improvement or mode, or mix of improvements and modes, for increasing
2 mobility and reducing congestion.

3 NEW SECTION. **Sec. 57.** This act does not affect any existing right
4 acquired or liability or obligation incurred under the sections amended
5 or repealed or under any rule or order adopted under those sections,
6 nor does it affect any proceeding instituted under those sections.

7 NEW SECTION. **Sec. 58.** If any provision of this act or its
8 application to any person or circumstance is held invalid, the
9 remainder of the act or the application of the provision to other
10 persons or circumstances is not affected.

11 NEW SECTION. **Sec. 59.** If any part of this act is found to be in
12 conflict with federal requirements that are a prescribed condition to
13 the allocation of federal funds to the state, the conflicting part of
14 this act is inoperative solely to the extent of the conflict and with
15 respect to the agencies directly affected, and this finding does not
16 affect the operation of the remainder of this act in its application to
17 the agencies concerned. Rules adopted under this act must meet federal
18 requirements that are a necessary condition to the receipt of federal
19 funds by the state.

20 NEW SECTION. **Sec. 60.** Captions and part headings used in this act
21 are not part of the law.

22 NEW SECTION. **Sec. 61.** Sections 1 through 24 and 57 through 60 of
23 this act constitute a new chapter in Title 81 RCW.

24 **PART VII**

25 **REPEAL OF REGIONAL TRANSPORTATION INVESTMENT**

26 **DISTRICT PROVISIONS**

27 NEW SECTION. **Sec. 62.** The following acts or parts of acts are
28 each repealed:

- 29 (1) RCW 36.120.010 (Findings) and 2002 c 56 s 101;
30 (2) RCW 36.120.020 (Definitions) and 2002 c 56 s 102;

1 (3) RCW 36.120.030 (Planning committee formation) and 2002 c 56 s
2 103;

3 (4) RCW 36.120.040 (Planning committee duties) and 2003 c 194 s 1
4 & 2002 c 56 s 104;

5 (5) RCW 36.120.050 (Taxes, fees, and tolls) and 2003 c 350 s 4 &
6 2002 c 56 s 105;

7 (6) RCW 36.120.060 (Project selection--Performance criteria) and
8 2002 c 56 s 106;

9 (7) RCW 36.120.070 (Submission of plan to the voters) and 2002 c 56
10 s 107;

11 (8) RCW 36.120.080 (Formation--Certification) and 2002 c 56 s 108;

12 (9) RCW 36.120.090 (Governing board--Composition) and 2002 c 56 s
13 109;

14 (10) RCW 36.120.100 (Governing board--Organization) and 2002 c 56
15 s 110;

16 (11) RCW 36.120.110 (Governing board--Powers and duties--Intent)
17 and 2002 c 56 s 111;

18 (12) RCW 36.120.120 (Treasurer) and 2002 c 56 s 112;

19 (13) RCW 36.120.130 (Indebtedness--Bonds--Limitation) and 2003 c
20 372 s 1 & 2002 c 56 s 113;

21 (14) RCW 36.120.140 (Transportation project or plan modification--
22 Accountability) and 2003 c 194 s 2 & 2002 c 56 s 114;

23 (15) RCW 36.120.150 (Department of transportation--Role) and 2002
24 c 56 s 115;

25 (16) RCW 36.120.160 (Ownership of improvements) and 2002 c 56 s
26 116;

27 (17) RCW 36.120.170 (Dissolution of district) and 2002 c 56 s 117;

28 (18) RCW 36.120.180 (Findings--Regional models--Grants) and 2002 c
29 56 s 118;

30 (19) RCW 36.120.190 (Joint ballot measure) and 2002 c 56 s 201;

31 (20) RCW 36.120.200 (Regional transportation investment district
32 account) and 2002 c 56 s 401;

33 (21) RCW 36.120.900 (Captions and subheadings not law--2002 c 56)
34 and 2002 c 56 s 501;

35 (22) RCW 36.120.901 (Severability--2002 c 56) and 2002 c 56 s 503;

36 (23) RCW 82.80.110 (Motor vehicle and special fuel tax--Dedication
37 by county to regional transportation investment district plan) and 2003
38 c 350 s 2; and

1 (24) RCW 82.80.120 (Motor vehicle and special fuel tax--Regional
2 transportation investment district) and 2003 c 350 s 3.

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