

---

SENATE BILL 6599

---

State of Washington                      59th Legislature                      2006 Regular Session

By Senators Haugen, Berkey, Weinstein, Poulsen and Deccio

Read first time 01/16/2006. Referred to Committee on Transportation.

1            AN ACT Relating to central Puget Sound regional transportation  
2 governance and funding; amending RCW 36.120.020, 36.120.030,  
3 36.120.040, 36.120.050, 36.120.070, 36.120.080, 36.120.110, 81.112.030,  
4 81.100.080, and 29A.36.071; reenacting and amending RCW 43.79A.040,  
5 43.84.092, and 43.84.092; adding new sections to chapter 36.120 RCW;  
6 adding a new section to chapter 81.112 RCW; providing an effective  
7 date; and providing an expiration date.

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

9            **Sec. 1.** RCW 36.120.020 and 2002 c 56 s 102 are each amended to  
10 read as follows:

11            The definitions in this section apply throughout this chapter  
12 unless the context clearly requires otherwise.

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

15            (2) "Department" means the Washington state department of  
16 transportation.

17            (3) "Highway of statewide significance" means an existing or  
18 proposed state route or federal interstate designated as a highway of

1 statewide significance by the transportation commission, its successor  
2 entity, or the legislature.

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

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

11 (6) "Regional transportation investment district planning  
12 committee" or "planning committee" means the advisory committee created  
13 under RCW 36.120.030 to create and propose to county legislative  
14 authorities a regional transportation investment plan to develop,  
15 finance, and construct transportation projects.

16 (7) "Regional transportation investment plan" or "plan" means a  
17 plan (~~((to develop, construct, and finance a))~~), developed jointly with  
18 any regional transit authority existing either partially or entirely  
19 within the district area, for improving transportation system  
20 performance within the region through investments in transportation  
21 ((project or)) projects. The plan must be consistent with the regional  
22 transportation plan adopted by the regional transportation planning  
23 organization of which the participating counties are a member.

24 (8) "Transportation project" means:

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

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

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

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

35 (i) Approaches to highways of statewide significance;

36 (ii) High-occupancy vehicle lanes;

37 (iii) Flyover ramps;

38 (iv) Park and ride lots;

1 (v) Bus pullouts;  
2 (vi) Vans for vanpools;  
3 (vii) Buses; and  
4 (viii) Signalization, ramp metering, and other transportation  
5 system management improvements.

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

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

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

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

22 (iv) In no case may the cumulative regional transportation  
23 investment district contribution to all projects constructed under this  
24 subsection (8)(c) exceed ten percent of the revenues generated by the  
25 district;

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

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

31 (d) Operations(~~(, preservation, and maintenance)~~) are excluded from  
32 this definition and may not be included in a regional transportation  
33 investment plan. However, operations, preservation, and maintenance of  
34 toll-related facilities where toll revenues have been pledged for the  
35 payment of contracts are expressly authorized and may be included in a  
36 regional transportation investment plan.

37 (9) "Weighted vote" means a vote that reflects the population each  
38 board or planning committee member represents relative to the

1 population represented by the total membership of the board or planning  
2 committee. Population will be determined using the federal 2000 census  
3 or subsequent federal census data.

4 **Sec. 2.** RCW 36.120.030 and 2002 c 56 s 103 are each amended to  
5 read as follows:

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

8 (1) A county with a population over one million five hundred  
9 thousand persons and any adjoining counties with a population over five  
10 hundred thousand persons may (~~create~~) propose a regional  
11 transportation investment district (~~and shall convene~~) by first  
12 convening a regional transportation investment district planning  
13 committee.

14 (2) The members of the legislative authorities participating in  
15 planning under this chapter shall serve as the district planning  
16 committee. Members of the planning committee receive no compensation,  
17 but may be reimbursed for travel and incidental expenses as the  
18 planning committee deems appropriate.

19 The secretary of transportation, or the appropriate regional  
20 administrator of the department, as named by the secretary, shall serve  
21 on the committee as a nonvoting member.

22 (3) A regional transportation investment district planning  
23 committee may be entitled to state funding, as appropriated by the  
24 legislature, for start-up funding to pay for salaries, expenses,  
25 overhead, supplies, and similar expenses ordinarily and necessarily  
26 incurred in selecting transportation projects and funding for those  
27 transportation projects under this chapter. Upon creation of a  
28 regional transportation investment district, the district shall within  
29 one year reimburse the state for any sums advanced for these start-up  
30 costs from the state.

31 (4) The planning committee shall conduct its affairs and formulate  
32 a regional transportation investment plan as provided under RCW  
33 36.120.040, except that it shall elect an executive board of seven  
34 members to discharge the duties of the planning committee and formulate  
35 a regional transportation investment plan, subject to the approval of  
36 the full committee.

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

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

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

10 **Sec. 3.** RCW 36.120.040 and 2003 c 194 s 1 are each amended to read  
11 as follows:

12 (1) A regional transportation investment district planning  
13 committee shall , in consultation with any regional transit authority  
14 existing within the participating counties' boundaries, adopt a  
15 regional transportation investment plan providing for the development,  
16 construction, and financing of transportation projects. The planning  
17 committee may consider the following factors in formulating its plan:

18 (a) Land use planning criteria;

19 (b) The input of cities located within a participating county; and

20 (c) The input of regional transportation planning organizations in  
21 which a participating county is ~~((located))~~ a member. A regional  
22 transportation planning organization ~~((in))~~ of which a participating  
23 county is ~~((located))~~ a member shall review its adopted regional  
24 transportation plan and submit, for the planning committee's  
25 consideration, its list of transportation improvement priorities.

26 (2) The planning committee ~~((may))~~ shall coordinate its activities  
27 with the department, which shall provide services, data, and personnel  
28 to assist in this planning as desired by the planning committee. In  
29 addition, the planning committee ~~((may))~~ shall coordinate its  
30 activities with affected cities, towns, and other local governments,  
31 including any regional transit authority existing within the  
32 participating counties' boundaries, that engage in transportation  
33 planning.

34 (3) The planning committee shall:

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

37 (b) Adopt a plan proposing the:

1 (i) Creation of a regional transportation investment district,  
2 including district boundaries; and

3 (ii) Construction of transportation projects to improve mobility  
4 within each county and within the region. Operations(~~(, maintenance,~~  
5 ~~and preservation of facilities or systems)~~) may not be part of the  
6 plan; and

7 (c) Recommend sources of revenue authorized by RCW 36.120.050 and  
8 a financing plan to fund selected transportation projects. The overall  
9 plan of the district must leverage the district's financial  
10 contributions so that the federal, state, local, and other revenue  
11 sources continue to fund major congestion relief and transportation  
12 capacity improvement projects in each county and the district. A  
13 combination of local, state, and federal revenues may be necessary to  
14 pay for transportation projects, and the planning committee shall  
15 consider all of these revenue sources in developing a plan.

16 (4) The plan must use tax revenues and related debt for projects  
17 that generally benefit a participating county in proportion to the  
18 general level of tax revenues generated within that participating  
19 county. This equity principle applies to all modifications to the  
20 plan, appropriation of contingency funds not identified within the  
21 project estimate, and future phases of the plan. During implementation  
22 of the plan, the board shall retain the flexibility to manage  
23 distribution of revenues, debt, and project schedules so that the  
24 district may effectively implement the plan. Nothing in this section  
25 should be interpreted to prevent the district from pledging district-  
26 wide tax revenues for payment of any contract or debt entered into  
27 under RCW 36.120.130.

28 (5) Before adopting the plan, the planning committee, with  
29 assistance from the department, shall work with the lead agency, and if  
30 applicable, any regional transit authority existing within the  
31 participating counties' boundaries, to develop accurate cost forecasts  
32 for transportation projects. This project costing methodology must be  
33 integrated with revenue forecasts in developing the plan and must at a  
34 minimum include estimated project costs in constant dollars as well as  
35 year of expenditure dollars, the range of project costs reflected by  
36 the level of project design, project contingencies, identification of  
37 mitigation costs, the range of revenue forecasts, and project and plan  
38 cash flow and bond analysis. The plan submitted to the voters must

1 provide cost estimates for each project, including reasonable  
2 contingency costs. Plans submitted to the voters must provide that the  
3 maximum amount possible of the funds raised will be used to fund  
4 projects in the plan, including environmental improvements and  
5 mitigation, and that administrative costs be minimized. If actual  
6 revenue exceeds actual plan costs, the excess revenues must be used to  
7 retire any outstanding debt associated with the plan.

8 (6) If a county opts not to adopt the plan or participate in the  
9 regional transportation investment district, but two or more contiguous  
10 counties do choose to continue to participate, then the planning  
11 committee may, within ninety days, redefine the regional transportation  
12 investment plan and the ballot measure to be submitted to the people to  
13 reflect elimination of the county, and submit the redefined plan to the  
14 legislative authorities of the remaining counties for their decision as  
15 to whether to continue to adopt the redefined plan and participate.  
16 This action must be completed within sixty days after receipt of the  
17 redefined plan.

18 (7) Once adopted by the planning committee, the plan must be  
19 forwarded to the participating county legislative authorities to  
20 initiate the election process under RCW 36.120.070. The planning  
21 committee shall at the same time provide notice to each city and town  
22 within the district, the governor, the chairs of the transportation  
23 committees of the legislature, the secretary of transportation, and  
24 each legislator whose legislative district is partially or wholly  
25 within the boundaries of the district.

26 (8) If the ballot measure is not approved, the planning committee  
27 may redefine the selected transportation projects, financing plan, and  
28 the ballot measure. The county legislative authorities may approve the  
29 new plan and ballot measure, and may then submit the revised  
30 proposition to the voters at the next election or a special election.  
31 If no ballot measure is approved by the voters by the third vote, the  
32 planning committee is dissolved.

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

35 (1) The boundaries of a regional transportation investment district  
36 must include at least the contiguous areas within a regional transit  
37 authority serving the counties and must reflect existing or proposed

1 transportation corridors. A city must be entirely within or entirely  
2 outside authority boundaries. The boundaries must be proposed by the  
3 planning committee and approved by the county legislative authorities  
4 by ordinance before, or in conjunction with, approval of a regional  
5 transportation investment plan. However, any portion of a county that  
6 is located on a peninsula may be exempt from a regional transportation  
7 investment district in which more than one county is included, if the  
8 portion of the county located on the peninsula is connected to the  
9 other portion of the county by a bridge improved under the public-  
10 private transportation initiatives act, under chapter 47.46 RCW, and  
11 the county has a national park and a population of more than five  
12 hundred thousand persons, but less than one million five hundred  
13 thousand persons.

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

32 **Sec. 5.** RCW 36.120.050 and 2003 c 350 s 4 are each amended to read  
33 as follows:

34 (1) A regional transportation investment district planning  
35 committee may, as part of a regional transportation investment plan,  
36 recommend the imposition of some or all of the following revenue



1 sources, which a regional transportation investment district may impose  
2 upon approval of the voters as provided in this chapter:

3 (a) A regional sales and use tax, as specified in RCW 82.14.430, of  
4 up to 0.5 percent of the selling price, in the case of a sales tax, or  
5 value of the article used, in the case of a use tax, upon the  
6 occurrence of any taxable event in the regional transportation  
7 investment district;

8 (b) A local option vehicle license fee, as specified under RCW  
9 82.80.100, of up to one hundred dollars per vehicle registered in the  
10 district. As used in this subsection, "vehicle" means motor vehicle as  
11 defined in RCW 46.04.320. Certain classes of vehicles, as defined  
12 under chapter 46.04 RCW, may be exempted from this fee;

13 (c) A parking tax under RCW 82.80.030;

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

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

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

18 (g) Vehicle tolls on new or reconstructed facilities. Unless  
19 otherwise specified by law or contract, the department shall administer  
20 the collection of vehicle tolls on designated facilities, and the state  
21 transportation commission, or its successor, shall be the tolling  
22 authority.

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

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

34 **Sec. 6.** RCW 36.120.070 and 2002 c 56 s 107 are each amended to  
35 read as follows:

36 (1) For consideration at the 2007 general election, each of the  
37 county legislative authorities of counties eligible to create a

1 district under this chapter shall submit to the voters of the proposed  
2 district the regional transportation investment plan, including the  
3 projects and revenue sources, adopted by the planning committee. In  
4 conjunction with RCW 81.112.030(10), the plan must be submitted to the  
5 voters as a common ballot measure along with a proposition to support  
6 additional implementation phases of a regional transit authority's  
7 system and financing plan. The counties shall follow the ballot  
8 measure and election procedures provided in subsection (2) of this  
9 section. In addition to submitting a regional transportation  
10 investment plan to the voters at the 2007 general election, the county  
11 legislative authorities shall submit a regional transportation  
12 governance proposal to the voters under the provisions of subsection  
13 (3) of this section. However, the county legislative authorities may  
14 not submit to the voters a regional transportation investment plan, nor  
15 a regional transportation governance proposal, before the 2007 general  
16 election.

17 (2) Two or more contiguous county legislative authorities, upon  
18 receipt of the regional transportation investment plan under RCW  
19 36.120.040, may ~~((certify the plan to the ballot, including~~  
20 ~~identification of the tax options))~~ submit to the voters of the  
21 proposed district a single ballot measure that approves formation of  
22 the district, approves the regional transportation investment plan, and  
23 approves the revenue sources necessary to ((fund)) finance the plan.  
24 ~~((County legislative authorities))~~ The planning committee may draft  
25 ~~((a ballot title,))~~ the ballot measure on behalf of the county  
26 legislative authorities, and the county legislative authorities may  
27 give notice as required by law for ballot measures, and perform other  
28 duties as required to ~~((put the plan before))~~ submit the measure to the  
29 voters of the proposed district for their approval or rejection ~~((as a~~  
30 ~~single ballot measure that both approves formation of the district and~~  
31 ~~approves the plan))~~. Counties may negotiate interlocal agreements  
32 necessary to implement the plan. The electorate will be the voters  
33 voting within the boundaries of the ~~((participating counties))~~ proposed  
34 district. A simple majority of the total persons voting on the single  
35 ballot measure ~~((to approve the plan, establish the district, and~~  
36 ~~approve the taxes and fees))~~ is required for approval. However, the  
37 ballot measure may not be considered approved unless voters also  
38 approve the proposition to support additional implementation phases of

1 a regional transit authority's system and financing plan that is  
2 submitted as a common ballot measure under subsection (1) of this  
3 section.

4 (3) In addition to submitting a regional transportation investment  
5 plan to the voters, the county legislative authorities shall submit to  
6 the voters for consideration at the 2007 general election a regional  
7 transportation governance proposal to restructure the transportation  
8 funding and operating system within the central Puget Sound region such  
9 that a single point of accountability is established for this purpose.  
10 The electorate must be the voters voting within the boundaries of the  
11 participating counties. Before a regional transportation governance  
12 proposal may be submitted to the voters under this subsection, the  
13 proposal must first be adopted by a regional transportation governance  
14 commission established under section 7 of this act, and then submitted  
15 to the legislature and the governor for consideration during the 2007  
16 regular legislative session in order that appropriate enabling  
17 legislation, if necessary, may be enacted.

18 NEW SECTION. Sec. 7. A new section is added to chapter 36.120 RCW  
19 to read as follows:

20 (1) The governor shall appoint a central Puget Sound regional  
21 transportation governance commission of seven voting members, one of  
22 whom must be appointed chair of the commission. In addition, the  
23 secretary of transportation or the secretary's designee shall serve as  
24 a nonvoting member. Appointees must be citizen members who do not hold  
25 public office. Appointees must include experts from the private and  
26 public sectors, including academia, with demonstrated expertise in  
27 innovation, structural reorganization, and public or private agency  
28 decision making, and must also include experts in fields such as  
29 municipal law, public administration, intergovernmental relationships,  
30 and transportation planning, construction, operations, and risk  
31 management.

32 (2) The commission shall evaluate transportation governance in the  
33 central Puget Sound region. This evaluation must include an assessment  
34 of the current roles of regional transportation agencies including  
35 regional transportation planning organizations, metropolitan planning  
36 organizations, regional transit authorities, regional transportation  
37 investment districts, county and municipal agencies operating transit

1 services, cities and counties, and other public agencies providing  
2 transportation services or facilities. The commission shall adopt a  
3 regional transportation governance proposal to be submitted to voters  
4 within the region that:

5 (a) Consolidates governance among agencies into a single point of  
6 accountability for a transportation funding and operating system within  
7 the central Puget Sound region, including changes in institutional  
8 powers, structures, and relationships and governance needed to improve  
9 accountability for transportation decisions, while enhancing the  
10 regional focus for transportation decisions and maintaining equity  
11 among citizens in the region;

12 (b) Improves coordination in the planning of transportation  
13 investments and services;

14 (c) Improves investment strategies;

15 (d) Coordinates transportation planning and investments with  
16 adopted land use policies within the region;

17 (e) Enhances efficiency and coordination in the delivery of  
18 services provided;

19 (f) Adjusts boundaries for agencies or functions within the region  
20 to address existing and future transportation and land use issues; and

21 (g) Improves coordination between regional investments and federal  
22 funds, and state funding including those administered by the  
23 transportation improvement board, the county road administration board,  
24 and the freight mobility strategic investment board.

25 (3) Each voting member of the commission must be reimbursed for  
26 actual necessary traveling and other expenses in going to, attending,  
27 and returning from meetings of the commission or that are incurred in  
28 the discharge of duties requested by the chair in the same manner as  
29 RCW 43.03.220.

30 (4) The commission shall submit its proposal to the legislature by  
31 December 1, 2006.

32 (5) The commission shall conduct public meetings to assure active  
33 public participation in the development of the proposal.

34 (6) The department of transportation and the regional  
35 transportation planning organization serving the central Puget Sound  
36 region shall provide staff support to the commission and, upon request  
37 of the commission, contract with other parties for staff support to the  
38 commission.

1       **Sec. 8.** RCW 36.120.080 and 2002 c 56 s 108 are each amended to  
2 read as follows:

3       If the voters approve the plan, including creation of a regional  
4 transportation investment district and imposition of taxes and fees,  
5 the district will be declared formed. The county election officials of  
6 participating counties shall, within fifteen days of the final  
7 certification of the election results, publish a notice in a newspaper  
8 or newspapers of general circulation in the district declaring the  
9 district formed, and mail copies of the notice to the governor, the  
10 secretary of transportation, the executive director of the regional  
11 transit authority in which any part of the district is located, and the  
12 executive director of the regional transportation planning organization  
13 in which any part of the district is located. A party challenging the  
14 procedure or the formation of a voter-approved district must file the  
15 challenge in writing by serving the prosecuting attorney of the  
16 participating counties and the attorney general within thirty days  
17 after the final certification of the election. Failure to challenge  
18 within that time forever bars further challenge of the district's valid  
19 formation.

20       **Sec. 9.** RCW 36.120.110 and 2002 c 56 s 111 are each amended to  
21 read as follows:

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

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

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

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

30       (d) Monitor and audit the progress and execution of transportation  
31 projects to protect the investment of the public and annually make  
32 public its findings;

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

35       (f) Hire no more than ten employees, including a director or  
36 executive officer, a treasurer or financial officer, a project manager  
37 or engineer, a project permit coordinator, and clerical staff; (~~and~~)

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

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

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

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

15       (4) A district may not own(~~, operate, or maintain~~) or operate an  
16 ongoing facility, road, or transportation system.

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

19       (6) It is the intent of the legislature that administrative and  
20 overhead costs of a regional transportation investment district be  
21 minimized. For transportation projects costing up to fifty million  
22 dollars, administrative and overhead costs may not exceed three percent  
23 of the total construction and design project costs per year. For  
24 transportation projects costing more than fifty million dollars,  
25 administrative and overhead costs may not exceed three percent of the  
26 first fifty million dollars in costs, plus an additional one-tenth of  
27 one percent of each additional dollar above fifty million. These  
28 limitations apply only to the district, and do not limit the  
29 administration or expenditures of the department.

30       (7) A district may use the design-build procedure for  
31 transportation projects developed by it. As used in this section  
32 "design-build procedure" means a method of contracting under which the  
33 district contracts with another party for that party to both design and  
34 build the structures, facilities, and other items specified in the  
35 contract. The requirements and limitations of RCW 47.20.780 and  
36 47.20.785 do not apply to the transportation projects under this  
37 chapter.

1       **Sec. 10.** RCW 81.112.030 and 1994 c 44 s 1 are each amended to read  
2 as follows:

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

7       The authority shall be formed in the following manner:

8       (1) The joint regional policy committee created pursuant to RCW  
9 81.104.040 shall adopt a system and financing plan, including the  
10 definition of the service area. This action shall be completed by  
11 September 1, 1992, contingent upon satisfactory completion of the  
12 planning process defined in RCW 81.104.100. The final system plan  
13 shall be adopted no later than June 30, 1993. In addition to the  
14 requirements of RCW 81.104.100, the plan for the proposed system shall  
15 provide explicitly for a minimum portion of new tax revenues to be  
16 allocated to local transit agencies for interim express services. Upon  
17 adoption the joint regional policy committee shall immediately transmit  
18 the plan to the county legislative authorities within the adopted  
19 service area.

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

25       (3) Each county that chooses to participate in the authority shall  
26 appoint its board members as set forth in RCW 81.112.040 and shall  
27 submit its list of members to the secretary of the Washington state  
28 department of transportation. These actions must be completed within  
29 thirty days following each county's decision to participate in the  
30 authority.

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

35       (5) The authority is formally constituted at its first meeting and  
36 the board shall begin taking steps toward implementation of the system  
37 and financing plan adopted by the joint regional policy committee. If  
38 the joint regional policy committee fails to adopt a plan by June 30,

1 1993, the authority shall proceed to do so based on the work completed  
2 by that date by the joint regional policy committee. Upon formation of  
3 the authority, the joint regional policy committee shall cease to  
4 exist. The authority may make minor modifications to the plan as  
5 deemed necessary and shall at a minimum review local transit agencies'  
6 plans to ensure feeder service/high capacity transit service  
7 integration, ensure fare integration, and ensure avoidance of parallel  
8 competitive services. The authority shall also conduct a minimum  
9 thirty-day public comment period.

10 (6) If the authority determines that major modifications to the  
11 plan are necessary before the initial ballot proposition is submitted  
12 to the voters, the authority may make those modifications with a  
13 favorable vote of two-thirds of the entire membership. Any such  
14 modification shall be subject to the review process set forth in RCW  
15 81.104.110. The modified plan shall be transmitted to the legislative  
16 authorities of the participating counties. The legislative authorities  
17 shall have forty-five days following receipt to act by motion or  
18 ordinance to confirm or rescind their continued participation in the  
19 authority.

20 (7) If any county opts to not participate in the authority, but two  
21 or more contiguous counties do choose to continue to participate, the  
22 authority's board shall be revised accordingly. The authority shall,  
23 within forty-five days, redefine the system and financing plan to  
24 reflect elimination of one or more counties, and submit the redefined  
25 plan to the legislative authorities of the remaining counties for their  
26 decision as to whether to continue to participate. This action shall  
27 be completed within forty-five days following receipt of the redefined  
28 plan.

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

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



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

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

8 A simple majority of those voting within the boundaries of the  
9 authority is required for approval. If the vote is affirmative, the  
10 authority shall begin implementation of the projects identified in the  
11 proposition. However, the authority may not submit any authorizing  
12 proposition for voter-approved taxes prior to July 1, 1993; nor may the  
13 authority issue bonds or form any local improvement district prior to  
14 July 1, 1993.

15 (9) If the vote on a proposition fails, the board may redefine the  
16 proposition, make changes to the authority boundaries, and make  
17 corresponding changes to the composition of the board. If the  
18 composition of the board is changed, the participating counties shall  
19 revise the membership of the board accordingly. The board may then  
20 submit the revised proposition or a different proposition to the  
21 voters. No single proposition may be submitted to the voters more than  
22 twice.

23 (10) Beginning no sooner than the 2007 general election, the  
24 authority may place additional propositions on the ballot to impose  
25 taxes to support additional phases of plan implementation. However,  
26 for consideration at the 2007 general election, the authority shall  
27 submit to the voters within the authority boundaries a proposition on  
28 the ballot to support an additional phase of any existing system and  
29 financing plan. In conjunction with RCW 36.120.070(1), the proposition  
30 must be submitted to the voters as a common ballot measure along with  
31 a proposed regional transportation investment plan, and the proposition  
32 may not be considered approved unless voters also approve the regional  
33 transportation investment plan. Additional phases of plan  
34 implementation must be developed jointly with any regional  
35 transportation investment district existing either partially or  
36 entirely within the authority area for improving transportation system  
37 performance within the region through investments in transportation  
38 projects and service delivery. The additional phases of plan

1 implementation must be consistent with the regional transportation plan  
2 adopted by the regional transportation planning organization serving  
3 the authority area.

4 (11) If the authority is unable to achieve a positive vote on a  
5 proposition within two years from the date of the first election on a  
6 proposition, the board may, by resolution, reconstitute the authority  
7 as a single-county body. With a two-thirds vote of the entire  
8 membership of the voting members, the board may also dissolve the  
9 authority.

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

12 A regional transit authority shall coordinate its activities with  
13 affected cities, towns, and other local governments, including any  
14 regional transportation investment district, or its planning committee,  
15 existing either partially or entirely within the authority area, that  
16 engage in transportation planning.

17 **Sec. 12.** RCW 81.100.080 and 1990 c 43 s 19 are each amended to  
18 read as follows:

19 Funds collected under RCW 81.100.030 or 81.100.060 and any  
20 investment earnings accruing thereon shall be used by the county or the  
21 regional transportation investment district in a manner consistent with  
22 the regional transportation plan only for costs of collection, costs of  
23 preparing, adopting, and enforcing agreements under RCW 81.100.030(3),  
24 for construction of high occupancy vehicle lanes and related  
25 facilities, mitigation of environmental concerns that result from  
26 construction or use of high occupancy vehicle lanes and related  
27 facilities, by an investment district for projects contained in a plan  
28 developed under chapter 36.120 RCW, payment of principal and interest  
29 on bonds issued for the purposes of this section, for high occupancy  
30 vehicle programs as defined in RCW 81.100.020(5), and for commuter rail  
31 projects in accordance with RCW 81.104.120. Except for funds raised by  
32 a regional transportation investment district, no funds collected under  
33 RCW 81.100.030 or 81.100.060 after June 30, 2000, may be pledged for  
34 the payment or security of the principal or interest on any bonds  
35 issued for the purposes of this section. Not more than ten percent of

1 the funds may be used for transit agency high occupancy vehicle  
2 programs.

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

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

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

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

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

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

22 **Sec. 13.** RCW 29A.36.071 and 2004 c 271 s 169 are each amended to  
23 read as follows:

24 (1) Except as provided to the contrary in RCW 82.14.036, 82.46.021,  
25 or 82.80.090, the ballot title of any referendum filed on an enactment  
26 or portion of an enactment of a local government and any other question  
27 submitted to the voters of a local government consists of three  
28 elements: (a) An identification of the enacting legislative body and  
29 a statement of the subject matter; (b) a concise description of the  
30 measure; and (c) a question. The ballot title must conform with the  
31 requirements and be displayed substantially as provided under RCW  
32 29A.72.050, except that the concise description must not exceed  
33 seventy-five words; however, a concise description submitted on behalf  
34 of a regional transportation investment district may exceed seventy-  
35 five words. If the local governmental unit is a city or a town, the  
36 concise statement shall be prepared by the city or town attorney. If  
37 the local governmental unit is a county, the concise statement shall be

1 prepared by the prosecuting attorney of the county. If the unit is a  
2 unit of local government other than a city, town, or county, the  
3 concise statement shall be prepared by the prosecuting attorney of the  
4 county within which the majority area of the unit is located.

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

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

11 **Sec. 14.** RCW 43.79A.040 and 2005 c 424 s 18, 2005 c 402 s 8, 2005  
12 c 215 s 10, and 2005 c 16 s 2 are each reenacted and amended to read as  
13 follows:

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

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

21 (3) The investment income account may be utilized for the payment  
22 of purchased banking services on behalf of treasurer's trust funds  
23 including, but not limited to, depository, safekeeping, and  
24 disbursement functions for the state treasurer or affected state  
25 agencies. The investment income account is subject in all respects to  
26 chapter 43.88 RCW, but no appropriation is required for payments to  
27 financial institutions. Payments shall occur prior to distribution of  
28 earnings set forth in subsection (4) of this section.

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

32 (b) The following accounts and funds shall receive their  
33 proportionate share of earnings based upon each account's or fund's  
34 average daily balance for the period: The Washington promise  
35 scholarship account, the college savings program account, the  
36 Washington advanced college tuition payment program account, the  
37 agricultural local fund, the American Indian scholarship endowment

1 fund, the foster care scholarship endowment fund, the foster care  
2 endowed scholarship trust fund, the students with dependents grant  
3 account, the basic health plan self-insurance reserve account, the  
4 contract harvesting revolving account, the Washington state combined  
5 fund drive account, the commemorative works account, the Washington  
6 international exchange scholarship endowment fund, the developmental  
7 disabilities endowment trust fund, the energy account, the fair fund,  
8 the fruit and vegetable inspection account, the future teachers  
9 conditional scholarship account, the game farm alternative account, the  
10 grain inspection revolving fund, the juvenile accountability incentive  
11 account, the law enforcement officers' and fire fighters' plan 2  
12 expense fund, the local tourism promotion account, the produce railcar  
13 pool account, the regional transportation investment district account,  
14 the rural rehabilitation account, the stadium and exhibition center  
15 account, the youth athletic facility account, the self-insurance  
16 revolving fund, the sulfur dioxide abatement account, the children's  
17 trust fund, the Washington horse racing commission Washington bred  
18 owners' bonus fund account, the Washington horse racing commission  
19 class C purse fund account, the individual development account program  
20 account, the Washington horse racing commission operating account  
21 (earnings from the Washington horse racing commission operating account  
22 must be credited to the Washington horse racing commission class C  
23 purse fund account), and the life sciences discovery fund. However,  
24 the earnings to be distributed shall first be reduced by the allocation  
25 to the state treasurer's service fund pursuant to RCW 43.08.190.

26 (c) The following accounts and funds shall receive eighty percent  
27 of their proportionate share of earnings based upon each account's or  
28 fund's average daily balance for the period: The advanced right of way  
29 revolving fund, the advanced environmental mitigation revolving  
30 account, the city and county advance right-of-way revolving fund, the  
31 federal narcotics asset forfeitures account, the high occupancy vehicle  
32 account, the local rail service assistance account, and the  
33 miscellaneous transportation programs account.

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

1           **Sec. 15.** RCW 43.84.092 and 2005 c 514 s 1105, 2005 c 353 s 3, 2005  
2 c 339 s 22, 2005 c 314 s 109, 2005 c 312 s 7, and 2005 c 94 s 1 are  
3 each reenacted and amended to read as follows:

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

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

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

30           (4) Monthly, the state treasurer shall distribute the earnings  
31 credited to the treasury income account. The state treasurer shall  
32 credit the general fund with all the earnings credited to the treasury  
33 income account except:

34           (a) The following accounts and funds shall receive their  
35 proportionate share of earnings based upon each account's and fund's  
36 average daily balance for the period: The capitol building  
37 construction account, the Cedar River channel construction and  
38 operation account, the Central Washington University capital projects

1 account, the charitable, educational, penal and reformatory  
2 institutions account, the common school construction fund, the county  
3 criminal justice assistance account, the county sales and use tax  
4 equalization account, the data processing building construction  
5 account, the deferred compensation administrative account, the deferred  
6 compensation principal account, the department of retirement systems  
7 expense account, the developmental disabilities community trust  
8 account, the drinking water assistance account, the drinking water  
9 assistance administrative account, the drinking water assistance  
10 repayment account, the Eastern Washington University capital projects  
11 account, the education construction fund, the education legacy trust  
12 account, the election account, the emergency reserve fund, The  
13 Evergreen State College capital projects account, the federal forest  
14 revolving account, the freight mobility investment account, the health  
15 services account, the public health services account, the health system  
16 capacity account, the personal health services account, the state  
17 higher education construction account, the higher education  
18 construction account, the highway infrastructure account, the high-  
19 occupancy toll lanes operations account, the industrial insurance  
20 premium refund account, the judges' retirement account, the judicial  
21 retirement administrative account, the judicial retirement principal  
22 account, the local leasehold excise tax account, the local real estate  
23 excise tax account, the local sales and use tax account, the medical  
24 aid account, the mobile home park relocation fund, the multimodal  
25 transportation account, the municipal criminal justice assistance  
26 account, the municipal sales and use tax equalization account, the  
27 natural resources deposit account, the oyster reserve land account, the  
28 perpetual surveillance and maintenance account, the public employees'  
29 retirement system plan 1 account, the public employees' retirement  
30 system combined plan 2 and plan 3 account, the public facilities  
31 construction loan revolving account beginning July 1, 2004, the public  
32 health supplemental account, the Puyallup tribal settlement account,  
33 the real estate appraiser commission account, (~~the regional~~  
34 ~~transportation investment district account,~~) the resource management  
35 cost account, the rural Washington loan fund, the site closure account,  
36 the small city pavement and sidewalk account, the special wildlife  
37 account, the state employees' insurance account, the state employees'  
38 insurance reserve account, the state investment board expense account,

1 the state investment board commingled trust fund accounts, the  
2 supplemental pension account, the Tacoma Narrows toll bridge account,  
3 the teachers' retirement system plan 1 account, the teachers'  
4 retirement system combined plan 2 and plan 3 account, the tobacco  
5 prevention and control account, the tobacco settlement account, the  
6 transportation infrastructure account, the transportation partnership  
7 account, the tuition recovery trust fund, the University of Washington  
8 bond retirement fund, the University of Washington building account,  
9 the volunteer fire fighters' and reserve officers' relief and pension  
10 principal fund, the volunteer fire fighters' and reserve officers'  
11 administrative fund, the Washington fruit express account, the  
12 Washington judicial retirement system account, the Washington law  
13 enforcement officers' and fire fighters' system plan 1 retirement  
14 account, the Washington law enforcement officers' and fire fighters'  
15 system plan 2 retirement account, the Washington school employees'  
16 retirement system combined plan 2 and 3 account, the Washington state  
17 health insurance pool account, the Washington state patrol retirement  
18 account, the Washington State University building account, the  
19 Washington State University bond retirement fund, the water pollution  
20 control revolving fund, and the Western Washington University capital  
21 projects account. Earnings derived from investing balances of the  
22 agricultural permanent fund, the normal school permanent fund, the  
23 permanent common school fund, the scientific permanent fund, and the  
24 state university permanent fund shall be allocated to their respective  
25 beneficiary accounts. All earnings to be distributed under this  
26 subsection (4)(a) shall first be reduced by the allocation to the state  
27 treasurer's service fund pursuant to RCW 43.08.190.

28 (b) The following accounts and funds shall receive eighty percent  
29 of their proportionate share of earnings based upon each account's or  
30 fund's average daily balance for the period: The aeronautics account,  
31 the aircraft search and rescue account, the county arterial  
32 preservation account, the department of licensing services account, the  
33 essential rail assistance account, the ferry bond retirement fund, the  
34 grade crossing protective fund, the high capacity transportation  
35 account, the highway bond retirement fund, the highway safety account,  
36 the motor vehicle fund, the motorcycle safety education account, the  
37 pilotage account, the public transportation systems account, the Puget  
38 Sound capital construction account, the Puget Sound ferry operations



1 account, the recreational vehicle account, the rural arterial trust  
2 account, the safety and education account, the special category C  
3 account, the state patrol highway account, the transportation 2003  
4 account (nickel account), the transportation equipment fund, the  
5 transportation fund, the transportation improvement account, the  
6 transportation improvement board bond retirement account, and the urban  
7 arterial trust account.

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

11 **Sec. 16.** RCW 43.84.092 and 2005 c 514 s 1106, 2005 c 353 s 4, 2005  
12 c 339 s 23, 2005 c 314 s 110, 2005 c 312 s 8, and 2005 c 94 s 2 are  
13 each reenacted and amended to read as follows:

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

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

32 (3) Except for the provisions of RCW 43.84.160, the treasury income  
33 account may be utilized for the payment of purchased banking services  
34 on behalf of treasury funds including, but not limited to, depository,  
35 safekeeping, and disbursement functions for the state treasury and  
36 affected state agencies. The treasury income account is subject in all

1 respects to chapter 43.88 RCW, but no appropriation is required for  
2 payments to financial institutions. Payments shall occur prior to  
3 distribution of earnings set forth in subsection (4) of this section.

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

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

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

1 earnings to be distributed under this subsection (4)(a) shall first be  
2 reduced by the allocation to the state treasurer's service fund  
3 pursuant to RCW 43.08.190.

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

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

25 NEW SECTION. **Sec. 17.** Section 15 of this act expires July 1,  
26 2006.

27 NEW SECTION. **Sec. 18.** Section 16 of this act takes effect July 1,  
28 2006.

--- END ---