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**SENATE BILL 6800**

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**State of Washington**

**59th Legislature**

**2006 Regular Session**

**By** Senators Haugen, Jacobsen and Rockefeller; by request of Governor Gregoire

Read first time 01/24/2006. Referred to Committee on Transportation.

1       AN ACT Relating to streamlining state transportation governance;  
2 amending RCW 47.01.011, 47.01.031, 47.01.051, 47.01.061, 47.01.071,  
3 47.01.075, 47.01.091, 47.01.101, 47.01.250, 47.01.280, 47.05.021,  
4 47.05.030, 47.05.035, 47.05.051, 36.57A.191, 36.78.121, 36.79.120,  
5 36.79.130, 36.120.020, 36.120.060, 43.10.101, 46.44.042, 46.44.080,  
6 46.44.090, 46.44.092, 46.44.096, 46.61.450, 46.68.113, 47.68.410,  
7 47.28.010, 47.28.170, 47.38.060, 47.52.133, 47.52.145, 47.52.210,  
8 47.60.330, 47.68.390, 47.68.400, 81.112.086, 35.58.2795, 36.56.121,  
9 36.57A.070, 47.29.010, 47.29.020, 47.29.030, 47.29.090, 47.29.100,  
10 47.29.120, 47.29.160, 47.29.170, 47.29.180, 47.29.250, 47.10.861,  
11 47.10.862, 47.10.843, 47.10.844, 47.10.834, 47.10.835, 47.10.819,  
12 47.10.820, 47.02.120, 47.02.140, and 46.68.290; adding new sections to  
13 chapter 47.29 RCW; creating a new section; repealing RCW 44.75.010,  
14 44.75.020, 44.75.030, 44.75.040, 44.75.050, 44.75.060, 44.75.070,  
15 44.75.080, 44.75.090, 44.75.100, 44.75.110, 44.75.120, 44.75.800,  
16 44.75.900, 44.75.901, 47.01.012, and 47.01.330; making an  
17 appropriation; and providing an effective date.

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

1        NEW SECTION.    **Sec. 1.**    The citizens of Washington are interested in  
2 the efficiency and accountability of the department of transportation.  
3 Recognizing the citizen's desire for accountability, the 2005  
4 legislature established the department of transportation as a cabinet  
5 level agency, thereby making the executive branch responsible for the  
6 safety and mobility of travelers in Washington state. As a result of  
7 this legislative action, the roles and duties of the transportation  
8 commission must be reconstituted to permit the governor to effectively  
9 manage the department of transportation.

10        The commission shall no longer exercise any budgetary or policy  
11 control of the department, nor shall it have oversight  
12 responsibilities. The commission shall continue to be the toll and  
13 ferry fare setting authority. The commission shall conduct public  
14 outreach, including reviewing and gathering public input on the  
15 Washington state comprehensive transportation plan prepared by the  
16 department, and it shall report to the governor and the legislature on  
17 its findings.

18        The legislature and the executive branch have a shared interest in  
19 and commitment to holding the department accountable for meeting its  
20 program and project commitments on time and on budget. Aligning  
21 budgeting processes with well-defined reporting expectations is key to  
22 assessing the performance of the department's programs.

23        Performance measures are fundamental for assessing the  
24 effectiveness of the department's programs and projects. Providing for  
25 the safety of the citizens of Washington and striving to maintain and  
26 improve the mobility of people and goods are the cornerstones of state  
27 transportation policies. As the department develops performance  
28 measures, as required under chapter 43.88 RCW, they shall include  
29 consideration of the key indicators used by the office of financial  
30 management in the performance-based budget process, and the benchmarks  
31 and measures developed by the transportation performance audit board,  
32 as well as utilizing the department's own "Gray book." Critiquing the  
33 effectiveness of these measures is a shared executive and legislative  
34 oversight responsibility.

35        **Sec. 2.**    RCW 47.01.011 and 1977 ex.s. c 151 s 1 are each amended to  
36 read as follows:

37        The legislature hereby recognizes the following imperative needs

1 within the state: To create a statewide comprehensive transportation  
2 (~~development~~) plan which identifies present status and sets goals for  
3 the future; to coordinate transportation modes; to promote and protect  
4 land use programs required in local, state and federal law; to  
5 coordinate transportation with the economic development of the state;  
6 to supply a broad framework in which regional, metropolitan, and local  
7 transportation needs can be related; to facilitate the supply of  
8 federal and state aid to those areas which will most benefit the state  
9 as a whole; to provide for public involvement in the transportation  
10 planning and development process; to administer programs within the  
11 jurisdiction of this title relating to the safety of the state's  
12 transportation systems; and to coordinate and implement national  
13 transportation policy with the state transportation planning program.

14 The legislature finds and declares that placing all elements of  
15 transportation in a single department that reports to the governor is  
16 fully consistent with and (~~shall in no way~~) does not impair the use  
17 of moneys in the motor vehicle fund exclusively for highway purposes.

18 Through this chapter, a unified department of transportation is  
19 created. To the jurisdiction of this department will be transferred  
20 the present powers, duties, and functions of the transportation  
21 commission, except as otherwise provided by law, the department of  
22 highways, the highway commission, the toll bridge authority, the  
23 aeronautics commission, and the canal commission, and the  
24 transportation related powers, duties, and functions of the (~~planning~~  
25 ~~and community affairs agency~~) department of community, trade, and  
26 economic development.

27 **Sec. 3.** RCW 47.01.031 and 1988 c 167 s 11 are each amended to read  
28 as follows:

29 (1) There is created a department of state government to be known  
30 as the department of transportation.

31 (2) All powers, duties, and functions vested by law in the  
32 department of highways, the state highway commission, the  
33 transportation commission, the director of highways, the Washington  
34 toll bridge authority, the aeronautics commission, the director of  
35 aeronautics, and the canal commission, and the transportation related  
36 powers, duties, and functions of the (~~planning and community affairs~~  
37 ~~agency~~) department of community, trade, and economic development, are

1 transferred to the jurisdiction of the department, except those powers,  
2 duties, and functions which are expressly directed elsewhere (~~(in this~~  
3 ~~or in any other act of the 1977 legislature)~~).

4 (3) The board of pilotage commissioners is transferred to the  
5 jurisdiction of the department for its staff support and  
6 administration(~~(: PROVIDED, That)~~). Nothing in this section shall be  
7 construed as transferring any policy making powers of the board of  
8 pilotage commissioners to the transportation commission or the  
9 department of transportation.

10 **Sec. 4.** RCW 47.01.051 and 1977 ex.s. c 151 s 5 are each amended to  
11 read as follows:

12 There is hereby created a transportation commission, which shall  
13 consist of seven members appointed by the governor, with the consent of  
14 the senate. (~~(The present five members of the highway commission shall~~  
15 ~~serve as five initial members of the transportation commission until~~  
16 ~~their terms of office as highway commission members would have expired.~~  
17 ~~The additional two members provided herein for the transportation~~  
18 ~~commission shall be appointed for initial terms to expire on June 30,~~  
19 ~~1982, and June 30, 1983. Thereafter)) All terms for commission  
20 members appointed after the effective date of this act shall be for  
21 (~~(six))~~ four years. No elective state official or state officer (~~(or~~  
22 ~~state employee)~~) shall be a member of the commission, and not more than  
23 four members of the commission shall at the time of appointment or  
24 thereafter during their respective terms of office be members of the  
25 same major political party. At the time of appointment or thereafter  
26 during their respective terms of office, four members of the commission  
27 shall reside in the western part of the state and three members shall  
28 reside in the eastern part of the state as divided north and south by  
29 the summit of the Cascade mountains. No more than two members of the  
30 commission shall reside in the same county. Commissioners (~~(shall~~  
31 ~~not)~~) may be removed from office by the governor before the expiration  
32 of their terms (~~(unless for a disqualifying change of residence or for~~  
33 ~~cause based upon a determination of incapacity, incompetence, neglect~~  
34 ~~of duty, or malfeasance in office by the superior court of the state of~~  
35 ~~Washington in and for Thurston county upon petition and show cause~~  
36 ~~proceedings duly brought therefor in said court and directed to the~~~~

1 ~~commissioner in question. No member shall be appointed for more than~~  
2 ~~two consecutive terms)) for cause.~~

3 **Sec. 5.** RCW 47.01.061 and 2005 c 319 s 4 are each amended to read  
4 as follows:

5 (1) The commission shall meet at such times as it deems advisable  
6 ~~((but at least once every month. It may adopt its own rules and~~  
7 ~~regulations and may establish its own procedure)).~~ It shall act  
8 collectively in harmony with recorded resolutions or motions adopted by  
9 majority vote of at least four members. The commission may appoint an  
10 administrative secretary(~~(, and shall elect one of its members chairman~~  
11 ~~for a term of one year)).~~ The governor shall appoint the chair of the  
12 commission. The ~~((chairman shall be able to))~~ chair may vote on all  
13 matters before the commission. The commission may ~~((from time to~~  
14 ~~time))~~ retain planners, consultants, and other technical personnel to  
15 advise it in the performance of its duties.

16 (2) The commission shall submit to each regular session of the  
17 legislature held in an odd-numbered year and to the office of financial  
18 management its own budget proposal necessary for the commission's  
19 operations ~~((separate from that proposed for the department))~~.

20 (3) Each member of the commission shall be compensated in  
21 accordance with RCW 43.03.250 and shall be reimbursed for actual  
22 necessary traveling and other expenses in going to, attending, and  
23 returning from meetings of the commission, and actual and necessary  
24 traveling and other expenses incurred in the discharge of such duties  
25 as may be requested by a majority vote of the commission or by the  
26 ~~((secretary of transportation))~~ chair, but in no event shall a  
27 commissioner be compensated in any year for more than one hundred  
28 twenty days, except the ~~((chairman of the commission))~~ chair who may be  
29 paid compensation for not more than one hundred fifty days. Service on  
30 the commission shall not be considered as service credit for the  
31 purposes of any public retirement system.

32 (4) Each member of the commission shall disclose any actual or  
33 potential conflict of interest, if applicable under the circumstance,  
34 regarding any commission business.

35 **Sec. 6.** RCW 47.01.071 and 2005 c 319 s 5 are each amended to read  
36 as follows:

1 The transportation commission shall have the following functions,  
2 powers, and duties:

3 ~~(1) ((To propose policies to be adopted by the governor and the~~  
4 ~~legislature designed to assure the development and maintenance of a~~  
5 ~~comprehensive and balanced statewide transportation system which will~~  
6 ~~meet the needs of the people of this state for safe and efficient~~  
7 ~~transportation services. Wherever appropriate the policies shall~~  
8 ~~provide for the use of integrated, intermodal transportation systems to~~  
9 ~~implement the social, economic, and environmental policies, goals, and~~  
10 ~~objectives of the people of the state, and especially to conserve~~  
11 ~~nonrenewable natural resources including land and energy. To this end~~  
12 ~~the commission shall:~~

13 ~~(a) Develop transportation policies which are based on the~~  
14 ~~policies, goals, and objectives expressed and inherent in existing~~  
15 ~~state laws;~~

16 ~~(b) Inventory the adopted policies, goals, and objectives of the~~  
17 ~~local and area wide governmental bodies of the state and define the~~  
18 ~~role of the state, regional, and local governments in determining~~  
19 ~~transportation policies, in transportation planning, and in~~  
20 ~~implementing the state transportation plan;~~

21 ~~(c) Propose a transportation policy for the state;~~

22 ~~(d) Establish a procedure for review and revision of the state~~  
23 ~~transportation policy and for submission of proposed changes to the~~  
24 ~~governor and the legislature;~~

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

28 ~~(2) To provide for the effective coordination of state~~  
29 ~~transportation planning with national transportation policy, state and~~  
30 ~~local land use policies, and local and regional transportation plans~~  
31 ~~and programs;~~

32 ~~(3)) In conjunction with the provisions under RCW 47.01.075, to~~  
33 ~~provide for public involvement in transportation designed to elicit the~~  
34 ~~public's views both with respect to adequate transportation services~~  
35 ~~and appropriate means of minimizing adverse social, economic,~~  
36 ~~environmental, and energy impact of transportation programs;~~

37 ~~((4)) (2) To ((prepare a)) review, consider, and gather public~~  
38 ~~input on the statewide comprehensive and balanced statewide~~

1 transportation plan (~~which shall be based on the transportation policy~~  
2 ~~adopted by the governor and the legislature and applicable state and~~  
3 ~~federal laws. The plan shall be reviewed and revised, and submitted to~~  
4 ~~the governor and the house of representatives and senate standing~~  
5 ~~committees on transportation, prior to each regular session of the~~  
6 ~~legislature during an even-numbered year thereafter.~~

7 The plan shall take into account federal law and regulations  
8 relating to the planning, construction, and operation of transportation  
9 facilities)) prepared by the department as provided in RCW  
10 47.01.101(12);

11 ((+5)) (3) To propose to the governor and the legislature prior to  
12 the convening of each regular session held in an odd-numbered year a  
13 recommended budget for the operations of the commission as required by  
14 RCW 47.01.061;

15 ((+6) ~~To approve the issuance and sale of all bonds authorized by~~  
16 ~~the legislature for capital construction of state highways, toll~~  
17 ~~facilities, Columbia Basin county roads (for which reimbursement to the~~  
18 ~~motor vehicle fund has been provided), urban arterial projects, and~~  
19 ~~aviation facilities;~~

20 (+7)) (4) To adopt such rules(~~, regulations, and policy~~  
21 ~~directives)) as may be necessary to carry out reasonably and properly~~  
22 those functions expressly vested in the commission by statute;

23 ((+8)) (5) To contract with the office of financial management or  
24 other appropriate state agencies for administrative support, accounting  
25 services, computer services, and other support services necessary to  
26 carry out its other statutory duties;

27 ((+9)) (6) To exercise such other specific powers and duties as  
28 may be vested in the transportation commission by this or any other  
29 provision of law.

30 **Sec. 7.** RCW 47.01.075 and 2005 c 319 s 6 are each amended to read  
31 as follows:

32 (1) The transportation commission shall provide a forum (~~for the~~  
33 ~~development of~~) to gather public input regarding transportation policy  
34 in Washington state, including input on the statewide comprehensive  
35 transportation plan. It may recommend to the secretary of  
36 transportation, the governor, and the legislature means for obtaining  
37 appropriate citizen (~~and professional~~) involvement in (~~all~~)

1 transportation policy formulation (~~and other matters related to the~~  
2 ~~powers and duties of the department~~). It may (~~further~~) hold  
3 hearings and explore ways to improve the mobility of the citizenry.  
4 (~~At least every five years, the commission shall convene regional~~  
5 ~~forums to gather citizen input on transportation issues.~~

6 ~~(2) Every two years, in coordination with the development of the~~  
7 ~~state biennial budget, the commission shall prepare the statewide~~  
8 ~~multimodal transportation progress report that outlines the~~  
9 ~~transportation priorities of the ensuing biennium. The report must:~~

10 ~~(a) Consider the citizen input gathered at the forums;~~

11 ~~(b) Be developed with the assistance of state transportation-~~  
12 ~~related agencies and organizations;~~

13 ~~(c) Be developed with the input from state, local, and regional~~  
14 ~~jurisdictions, transportation service providers, and key transportation~~  
15 ~~stakeholders;~~

16 ~~(d) Be considered by the secretary of transportation and other~~  
17 ~~state transportation related agencies in preparing proposed agency~~  
18 ~~budgets and executive request legislation;~~

19 ~~(e) Be submitted by the commission to the governor by October 1st~~  
20 ~~of each even numbered year for consideration by the governor.~~

21 ~~(3) In fulfilling its responsibilities under this section, the~~  
22 ~~commission may create ad hoc committees or other such committees of~~  
23 ~~limited duration as necessary.~~

24 ~~(4))~~ (2) In order to promote a better transportation system, the  
25 commission (~~shall offer policy guidance and~~) may make recommendations  
26 to the governor and the legislature in key issue areas, including but  
27 not limited to:

28 (a) Transportation finance;

29 (b) Preserving, maintaining, and operating the statewide  
30 transportation system;

31 (c) Transportation infrastructure needs;

32 (d) Promoting best practices for adoption and use by  
33 transportation-related agencies and programs;

34 (e) Transportation efficiencies that will improve service delivery  
35 and/or coordination;

36 (f) Improved planning and coordination among transportation  
37 agencies and providers; and



1 (g) Use of intelligent transportation systems and other technology-  
2 based solutions.

3 **Sec. 8.** RCW 47.01.091 and 1977 ex.s. c 151 s 9 are each amended to  
4 read as follows:

5 The secretary shall establish such advisory councils as are  
6 necessary to carry out the purposes of this ((1977-amendatory-act))  
7 title, and to insure adequate public participation in the planning and  
8 development of transportation facilities. Members of such councils  
9 shall serve at the pleasure of the secretary and may receive per diem  
10 and necessary expenses, in accordance with RCW 43.03.050 and 43.03.060,  
11 as now or hereafter amended.

12 **Sec. 9.** RCW 47.01.101 and 2005 c 319 s 7 are each amended to read  
13 as follows:

14 The secretary shall have the authority and it shall be his or her  
15 duty:

16 (1) To serve as chief executive officer of the department with full  
17 administrative authority to direct all its activities;

18 (2) To organize the department as he or she may deem necessary to  
19 carry out the work and responsibilities of the department effectively;

20 (3) To designate and establish such transportation district,  
21 region, or branch offices as may be necessary or convenient, and to  
22 appoint assistants and delegate any powers, duties, and functions to  
23 them or any officer or employee of the department as deemed necessary  
24 to administer the department efficiently;

25 (4) To direct and coordinate the programs of the various divisions  
26 of the department to assure that they achieve the greatest possible  
27 mutual benefit, produce a balanced overall effort, and eliminate  
28 unnecessary duplication of activity;

29 (5) To adopt all department rules that are subject to the adoption  
30 procedures contained in the state administrative procedure act(~~(~~  
31 ~~except rules subject to adoption by the commission pursuant to~~  
32 ~~statute)~~);

33 (6) To maintain and safeguard the official records of the  
34 department, including the commission's recorded resolutions and orders;

35 (7) To provide, under contract or interagency agreement, ((full))

1 staff support on a reimbursable basis to the commission to assist it in  
2 carrying out its functions, powers, and duties;

3 (8) To execute and implement the biennial operating budget for the  
4 operation of the department in accordance with chapter 43.88 RCW and  
5 with legislative appropriation;

6 (9) To advise the governor, the office of financial management, and  
7 the legislature with respect to matters under the jurisdiction of the  
8 department; ((and))

9 (10) To exercise all other powers and perform all other duties as  
10 are now or hereafter provided by law;

11 (11) To integrate government performance and accountability tools  
12 in the planning, coordination, and performance of its duties,  
13 including, but not limited to, performance reviews, performance-based  
14 budgeting, and quality assessments; and

15 (12) To prepare a comprehensive and balanced statewide  
16 transportation plan which shall be based on the transportation policy  
17 adopted by the legislature, applicable state and federal laws, and the  
18 biennial priorities of government as adopted by the governor. The plan  
19 shall take into account federal law and regulations relating to the  
20 planning, construction, and operation of transportation facilities.  
21 The secretary shall ensure that local and regional transportation  
22 issues are integrated and considered in the plan. The plan shall be  
23 submitted to the commission for its review and for it to gather public  
24 input.

25 **Sec. 10.** RCW 47.01.250 and 1998 c 245 s 92 are each amended to  
26 read as follows:

27 ~~((The chief of the Washington state patrol, the director of the~~  
28 ~~traffic safety commission, the executive director of the county road~~  
29 ~~administration board, and the director of licensing are designated as~~  
30 ~~official consultants to the transportation commission so that the goals~~  
31 ~~and activities of their respective agencies which relate to~~  
32 ~~transportation are fully coordinated with other related~~  
33 ~~responsibilities of the department of transportation. In this~~  
34 ~~capacity, the chief of the Washington state patrol, the director of the~~  
35 ~~traffic safety commission, the executive director of the county road~~  
36 ~~administration board, and the director of licensing shall consult with~~  
37 ~~the transportation commission and the secretary of transportation on~~

1 ~~the implications and impacts on the transportation related functions~~  
2 ~~and duties of their respective agencies of any proposed comprehensive~~  
3 ~~transportation plan, program, or policy.))~~

4 In order to develop fully integrated, balanced, and coordinated  
5 transportation plans, programs, and budgets the chief of the Washington  
6 state patrol, the director of the traffic safety commission, the  
7 executive director of the county road administration board, and the  
8 director of licensing shall consult with the secretary of  
9 transportation on the matter of relative priorities during the  
10 development of their respective agencies' plans, programs, and budgets  
11 as they pertain to transportation activities.

12 **Sec. 11.** RCW 47.01.280 and 2005 c 319 s 121 are each amended to  
13 read as follows:

14 (1) Upon receiving an application for improvements to an existing  
15 state highway or highways pursuant to RCW 43.160.074 from the community  
16 economic revitalization board, the ~~((transportation commission))~~  
17 department shall, in a timely manner, determine whether or not the  
18 proposed state highway improvements:

19 (a) Meet the safety and design criteria of the department of  
20 transportation;

21 (b) Will impair the operational integrity of the existing highway  
22 system; and

23 (c) Will affect any other improvements planned by the department(~~(+~~  
24 and

25 ~~(d) Will be consistent with its policies developed pursuant to RCW~~  
26 ~~47.01.071)).~~

27 (2) Upon completion of its determination of the factors contained  
28 in subsection (1) of this section and any other factors it deems  
29 pertinent, the ~~((transportation commission))~~ department shall forward  
30 its approval, as submitted or amended or disapproval of the proposed  
31 improvements to the board, along with any recommendation it may wish to  
32 make concerning the desirability and feasibility of the proposed  
33 development. If the ~~((transportation commission))~~ department  
34 disapproves any proposed improvements, it shall specify its reasons for  
35 disapproval.

36 (3) Upon notification from the board of an application's approval

1 pursuant to RCW 43.160.074, the (~~transportation commission~~)  
2 department shall (~~direct the department of transportation to~~) carry  
3 out the improvements in coordination with the applicant.

4 **Sec. 12.** RCW 47.05.021 and 2005 c 319 s 8 are each amended to read  
5 as follows:

6 (1) The department shall conduct periodic analyses of the entire  
7 state highway system(~~(τ)~~) and report to the (~~commission~~) office of  
8 financial management and the chairs of the transportation committees of  
9 the senate and house of representatives, any subsequent recommendations  
10 to subdivide, classify, and subclassify all designated state highways  
11 into the following three functional classes:

12 (a) The "principal arterial system" shall consist of a connected  
13 network of rural arterial routes with appropriate extensions into and  
14 through urban areas, including all routes designated as part of the  
15 interstate system, which serve corridor movements having travel  
16 characteristics indicative of substantial statewide and interstate  
17 travel;

18 (b) The "minor arterial system" shall, in conjunction with the  
19 principal arterial system, form a rural network of arterial routes  
20 linking cities and other activity centers which generate long distance  
21 travel, and, with appropriate extensions into and through urban areas,  
22 form an integrated network providing interstate and interregional  
23 service; and

24 (c) The "collector system" shall consist of routes which primarily  
25 serve the more important intercounty, intracounty, and intraurban  
26 travel corridors, collect traffic from the system of local access roads  
27 and convey it to the arterial system, and on which, regardless of  
28 traffic volume, the predominant travel distances are shorter than on  
29 arterial routes.

30 (2) The (~~transportation commission~~) department shall adopt a  
31 functional classification of highways. The (~~commission~~) department  
32 shall consider (~~the recommendations of the department and testimony~~)  
33 comments from the public and local municipalities. The (~~commission~~)  
34 department shall give consideration to criteria consistent with this  
35 section and federal regulations relating to the functional  
36 classification of highways, including but not limited to the following:

1 (a) Urban population centers within and without the state  
2 stratified and ranked according to size;

3 (b) Important traffic generating economic activities, including but  
4 not limited to recreation, agriculture, government, business, and  
5 industry;

6 (c) Feasibility of the route, including availability of alternate  
7 routes within and without the state;

8 (d) Directness of travel and distance between points of economic  
9 importance;

10 (e) Length of trips;

11 (f) Character and volume of traffic;

12 (g) Preferential consideration for multiple service which shall  
13 include public transportation;

14 (h) Reasonable spacing depending upon population density; and

15 (i) System continuity.

16 (3) The (~~transportation commission~~) department or the legislature  
17 shall designate state highways of statewide significance under RCW  
18 47.06.140. If the (~~commission~~) department designates a state highway  
19 of statewide significance, it shall submit a list of such facilities  
20 for adoption by the legislature. This statewide system shall include  
21 at a minimum interstate highways and other statewide principal  
22 arterials that are needed to connect major communities across the state  
23 and support the state's economy.

24 (4) The (~~transportation commission~~) department shall designate a  
25 freight and goods transportation system. This statewide system shall  
26 include state highways, county roads, and city streets. The  
27 (~~commission~~) department, in cooperation with cities and counties,  
28 shall review and make recommendations to the legislature regarding  
29 policies governing weight restrictions and road closures which affect  
30 the transportation of freight and goods.

31 **Sec. 13.** RCW 47.05.030 and 2005 c 319 s 9 are each amended to read  
32 as follows:

33 The (~~transportation commission~~) department, in consultation with  
34 the office of financial management, shall (~~adopt~~) develop a  
35 comprehensive (~~ten-year~~) sixteen-year investment program specifying  
36 program objectives and performance measures for the preservation and  
37 improvement programs defined in this section. The (~~adopted ten-year~~)

1 sixteen-year investment program must be forwarded as a recommendation  
2 to the governor and the legislature. In the specification of investment  
3 program objectives and performance measures, the (~~transportation~~  
4 ~~commission, in consultation with the Washington state~~) department (~~of~~  
5 ~~transportation,~~) shall define and adopt standards for effective  
6 programming and prioritization practices including a needs analysis  
7 process. The analysis process must ensure the identification of  
8 problems and deficiencies, the evaluation of alternative solutions and  
9 trade-offs, and estimations of the costs and benefits of prospective  
10 projects. (~~The investment program must be revised based on directions~~  
11 ~~by the office of financial management.~~) The investment program must  
12 be based upon the needs identified in the state-owned highway component  
13 of the statewide comprehensive transportation plan (~~as defined in RCW~~  
14 ~~47.01.071(3)~~)).

15 (1) The preservation program consists of those investments  
16 necessary to preserve the existing state highway system and to restore  
17 existing safety features, giving consideration to lowest life-cycle  
18 costing. The preservation program must require use of the most cost-  
19 effective pavement surfaces, considering:

- 20 (a) Life-cycle cost analysis;
- 21 (b) Traffic volume;
- 22 (c) Subgrade soil conditions;
- 23 (d) Environmental and weather conditions;
- 24 (e) Materials available; and
- 25 (f) Construction factors.

26 The comprehensive (~~ten-year~~) sixteen-year investment program for  
27 preservation must identify projects for two years and an investment  
28 plan for the remaining eight years.

29 (2) The improvement program consists of investments needed to  
30 address identified deficiencies on the state highway system to increase  
31 mobility, address congestion, and improve safety, support for the  
32 economy, and protection of the environment. The (~~ten-year~~) sixteen-  
33 year investment program for improvements must identify projects for two  
34 years and major deficiencies proposed to be addressed in the (~~ten-~~  
35 ~~year~~) sixteen-year period giving consideration to relative benefits  
36 and life-cycle costing. The (~~transportation commission~~) program  
37 shall give higher priority for correcting identified deficiencies on

1 those facilities classified as facilities of statewide significance as  
2 defined in RCW 47.06.140. Project prioritization must be based  
3 primarily upon cost-benefit analysis, where appropriate.

4 The (~~transportation commission~~) department shall (~~approve and~~  
5 ~~present~~) submit the comprehensive (~~ten-year~~) sixteen-year investment  
6 program to the governor and the legislature as directed by the office  
7 of financial management.

8 **Sec. 14.** RCW 47.05.035 and 2005 c 319 s 10 are each amended to  
9 read as follows:

10 (1) The department shall use the transportation demand modeling  
11 tools developed under subsection (2) of this section to evaluate  
12 investments based on the best mode or improvement, or mix of modes and  
13 improvements, to meet current and future long-term demand within a  
14 corridor or system for the lowest cost. The end result of these demand  
15 modeling tools is to provide a cost-benefit analysis by which the  
16 department can determine the relative mobility improvement and  
17 congestion relief each mode or improvement under consideration will  
18 provide and the relative investment each mode or improvement under  
19 consideration will need to achieve that relief.

20 (2) The department will participate in the refinement, enhancement,  
21 and application of existing transportation demand modeling tools to be  
22 used to evaluate investments. This participation and use of  
23 transportation demand modeling tools will be phased in.

24 (3) In developing program objectives and performance measures, the  
25 department shall evaluate investment trade-offs between the  
26 preservation and improvement programs. In making these investment  
27 trade-offs, the department shall evaluate, using cost-benefit  
28 techniques, roadway and bridge maintenance activities as compared to  
29 roadway and bridge preservation program activities and adjust those  
30 programs accordingly.

31 (4) The department shall allocate the estimated revenue between  
32 preservation and improvement programs giving primary consideration to  
33 the following factors:

34 (a) The relative needs in each of the programs and the system  
35 performance levels that can be achieved by meeting these needs;

36 (b) The need to provide adequate funding for preservation to  
37 protect the state's investment in its existing highway system;

1 (c) The continuity of future transportation development with those  
2 improvements previously programmed; and

3 (d) The availability of dedicated funds for a specific type of  
4 work.

5 (5) The ~~((commission))~~ office of financial management shall review  
6 the results of the department's findings and shall consider those  
7 findings in the development of the ~~((ten-year))~~ sixteen-year program.

8 **Sec. 15.** RCW 47.05.051 and 2005 c 319 s 11 are each amended to  
9 read as follows:

10 ~~((1))~~ The comprehensive ~~((ten-year))~~ sixteen-year investment  
11 program shall be based upon the needs identified in the state-owned  
12 highway component of the statewide ~~((multimodal))~~ comprehensive  
13 transportation plan ~~((as defined in RCW 47.01.071(4))~~) and priority  
14 selection systems that incorporate the following criteria:

15 ~~((a))~~ (1) Priority programming for the preservation program shall  
16 take into account the following, not necessarily in order of  
17 importance:

18 ~~((i))~~ (a) Extending the service life of the existing highway  
19 system, including using the most cost-effective pavement surfaces,  
20 considering:

- 21 ~~((A))~~ (i) Life-cycle cost analysis;
- 22 ~~((B))~~ (ii) Traffic volume;
- 23 ~~((C))~~ (iii) Subgrade soil conditions;
- 24 ~~((D))~~ (iv) Environmental and weather conditions;
- 25 ~~((E))~~ (v) Materials available; and
- 26 ~~((F))~~ (vi) Construction factors;

27 ~~((ii))~~ (b) Ensuring the structural ability to carry loads imposed  
28 upon highways and bridges; and

29 ~~((iii))~~ (c) Minimizing life-cycle costs. ~~((The transportation  
30 commission in carrying out the provisions of this section may delegate  
31 to the department of transportation the authority to select  
32 preservation projects to be included in the ten-year program.~~

33 ~~((b))~~ (2) Priority programming for the improvement program must be  
34 based primarily upon the following, not necessarily in order of  
35 importance:

36 ~~((i))~~ (a) Traffic congestion, delay, and accidents;



1       ~~((+ii))~~ (b) Location within a heavily traveled transportation  
2 corridor;

3       ~~((+iii))~~ (c) Except for projects in cities having a population of  
4 less than five thousand persons, synchronization with other potential  
5 transportation projects, including transit and multimodal projects,  
6 within the heavily traveled corridor; and

7       ~~((+iv))~~ (d) Use of benefit/cost analysis wherever feasible to  
8 determine the value of the proposed project.

9       ~~((+e))~~ (3) Priority programming for the improvement program may  
10 also take into account:

11       ~~((+i))~~ (a) Support for the state's economy, including job creation  
12 and job preservation;

13       ~~((+ii))~~ (b) The cost-effective movement of people and goods;

14       ~~((+iii))~~ (c) Accident and accident risk reduction;

15       ~~((+iv))~~ (d) Protection of the state's natural environment;

16       ~~((+v))~~ (e) Continuity and systematic development of the highway  
17 transportation network;

18       ~~((+vi))~~ (f) Consistency with local comprehensive plans developed  
19 under chapter 36.70A RCW including the following if they have been  
20 included in the comprehensive plan:

21       ~~((+A))~~ (i) Support for development in and revitalization of  
22 existing downtowns;

23       ~~((+B))~~ (ii) Extent that development implements local comprehensive  
24 plans for rural and urban residential and nonresidential densities;

25       ~~((+C))~~ (iii) Extent of compact, transit-oriented development for  
26 rural and urban residential and nonresidential densities;

27       ~~((+D))~~ (iv) Opportunities for multimodal transportation; and

28       ~~((+E))~~ (v) Extent to which the project accommodates planned growth  
29 and economic development;

30       ~~((+vii))~~ (g) Consistency with regional transportation plans  
31 developed under chapter 47.80 RCW;

32       ~~((+viii))~~ (h) Public views concerning proposed improvements;

33       ~~((+ix))~~ (i) The conservation of energy resources;

34       ~~((+x))~~ (j) Feasibility of financing the full proposed improvement;

35       ~~((+xi))~~ (k) Commitments established in previous legislative  
36 sessions;

37       ~~((+xii))~~ (l) Relative costs and benefits of candidate programs.

1       ~~((d) Major projects addressing capacity deficiencies which~~  
2 ~~prioritize allowing for preliminary engineering shall be reprioritized~~  
3 ~~during the succeeding biennium, based upon updated project data.~~  
4 ~~Reprioritized projects may be delayed or canceled by the transportation~~  
5 ~~commission if higher priority projects are awaiting funding.~~

6       ~~(e) Major project approvals which significantly increase a~~  
7 ~~project's scope or cost from original prioritization estimates shall~~  
8 ~~include a review of the project's estimated revised priority rank and~~  
9 ~~the level of funding provided. Projects may be delayed or canceled by~~  
10 ~~the transportation commission if higher priority projects are awaiting~~  
11 ~~funding.~~

12       ~~(2) The commission may depart from the priority programming~~  
13 ~~established under subsection (1) of this section: (a) To the extent~~  
14 ~~that otherwise funds cannot be utilized feasibly within the program;~~  
15 ~~(b) as may be required by a court judgment, legally binding agreement,~~  
16 ~~or state and federal laws and regulations; (c) as may be required to~~  
17 ~~coordinate with federal, local, or other state agency construction~~  
18 ~~projects; (d) to take advantage of some substantial financial benefit~~  
19 ~~that may be available; (e) for continuity of route development; or (f)~~  
20 ~~because of changed financial or physical conditions of an unforeseen or~~  
21 ~~emergent nature. The commission or secretary of transportation shall~~  
22 ~~maintain in its files information sufficient to show the extent to~~  
23 ~~which the commission has departed from the established priority.~~

24       ~~(3) The commission shall identify those projects that yield freight~~  
25 ~~mobility benefits or that alleviate the impacts of freight mobility~~  
26 ~~upon affected communities.))~~

27       **Sec. 16.** RCW 36.57A.191 and 2003 c 363 s 304 are each amended to  
28 read as follows:

29       As a condition of receiving state funding, a public transportation  
30 benefit area authority shall submit a maintenance and preservation  
31 management plan for certification by the department of transportation  
32 ~~((commission or its successor entity))~~. The plan must inventory all  
33 transportation system assets within the direction and control of the  
34 authority, and provide a preservation plan based on lowest life-cycle  
35 cost methodologies.

1       **Sec. 17.** RCW 36.78.121 and 2003 c 363 s 307 are each amended to  
2 read as follows:

3       The county road administration board, or its successor entity,  
4 shall establish a standard of good practice for maintenance of  
5 transportation system assets. This standard must be implemented by all  
6 counties no later than December 31, 2007. The board shall develop a  
7 model maintenance management system for use by counties. The board  
8 shall develop rules to assist the counties in the implementation of  
9 this system. Counties shall annually submit their maintenance plans to  
10 the board. The board shall compile the county data regarding  
11 maintenance management and annually submit it to the department of  
12 transportation (~~(commission or its successor entity)~~).

13       **Sec. 18.** RCW 36.79.120 and 1988 c 26 s 6 are each amended to read  
14 as follows:

15       Counties receiving funds from the rural arterial trust account for  
16 construction of arterials and the construction of replacement bridges  
17 funded by the federal bridge replacement program on access roads in  
18 rural areas shall provide such matching funds as established by rules  
19 recommended by the board, subject to review, revision, and final  
20 approval by the (~~(state)~~) department of transportation (~~(commission)~~).  
21 Matching requirements shall be established after appropriate studies by  
22 the board, taking into account financial resources available to  
23 counties to meet arterial needs.

24       **Sec. 19.** RCW 36.79.130 and 1983 1st ex.s. c 49 s 13 are each  
25 amended to read as follows:

26       Not later than November 1st of each even-numbered year the board  
27 shall prepare and present to the (~~(state)~~) department of transportation  
28 (~~(commission)~~) a recommended budget for expenditures from the rural  
29 arterial trust account during the ensuing biennium. The budget shall  
30 contain an estimate of the revenues to be credited to the rural  
31 arterial trust account.

32       The (~~(state transportation commission)~~) department shall review the  
33 budget as recommended, revise the budget as it deems proper, and  
34 include the budget as revised as a separate section of the  
35 transportation budget which it shall submit to the governor pursuant to  
36 chapter 43.88 RCW.

1           **Sec. 20.** RCW 36.120.020 and 2002 c 56 s 102 are each amended to  
2 read as follows:

3           The definitions in this section apply throughout this chapter  
4 unless the context clearly requires otherwise.

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

7           (2) "Department" means the Washington state department of  
8 transportation.

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

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

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

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

26           (7) "Regional transportation investment plan" or "plan" means a  
27 plan to develop, construct, and finance a transportation project or  
28 projects.

29           (8) "Transportation project" means:

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

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

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

37           (b) A capital improvement or improvements to all or a portion of a

1 highway of statewide significance, including an extension, and may  
2 include the following associated multimodal capital improvements:

3 (i) Approaches to highways of statewide significance;

4 (ii) High-occupancy vehicle lanes;

5 (iii) Flyover ramps;

6 (iv) Park and ride lots;

7 (v) Bus pullouts;

8 (vi) Vans for vanpools;

9 (vii) Buses; and

10 (viii) Signalization, ramp metering, and other transportation  
11 system management improvements.

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

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

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

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

27 (iv) In no case may the cumulative regional transportation  
28 investment district contribution to all projects constructed under this  
29 subsection (8)(c) exceed ten percent of the revenues generated by the  
30 district;

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

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

36 (d) Operations, preservation, and maintenance are excluded from  
37 this definition and may not be included in a regional transportation  
38 investment plan.

1 (9) "Weighted vote" means a vote that reflects the population each  
2 board or planning committee member represents relative to the  
3 population represented by the total membership of the board or planning  
4 committee. Population will be determined using the federal 2000 census  
5 or subsequent federal census data.

6 **Sec. 21.** RCW 36.120.060 and 2002 c 56 s 106 are each amended to  
7 read as follows:

8 (1) The planning committee shall consider the following criteria  
9 for selecting transportation projects to improve corridor performance:

- 10 (a) Reduced level of congestion and improved safety;
- 11 (b) Improved travel time;
- 12 (c) Improved air quality;
- 13 (d) Increases in daily and peak period person and vehicle trip  
14 capacity;
- 15 (e) Reductions in person and vehicle delay;
- 16 (f) Improved freight mobility; and
- 17 (g) Cost-effectiveness of the investment.

18 (2) These criteria represent only minimum standards that must be  
19 considered in selecting transportation improvement projects. The board  
20 shall also consider rules and standards for benchmarks adopted by the  
21 ~~((transportation commission or its successor))~~ department as approved  
22 by the office of financial management.

23 **Sec. 22.** RCW 43.10.101 and 2005 c 319 s 104 are each amended to  
24 read as follows:

25 The attorney general shall prepare annually a report to the  
26 transportation committees of the legislature, ~~((the transportation~~  
27 ~~commission))~~ the governor, the office of financial management, and  
28 ~~((the transportation performance audit board))~~ the Washington state  
29 department of transportation comprising a comprehensive summary of all  
30 cases involving tort claims against the department of transportation  
31 involving highways which were concluded and closed in the previous  
32 calendar year. The report shall include for each case closed:

- 33 (1) A summary of the factual background of the case;
- 34 (2) Identification of the attorneys representing the state and the  
35 opposing parties;

1 (3) A synopsis of the legal theories asserted and the defenses  
2 presented;

3 (4) Whether the case was tried, settled, or dismissed, and in whose  
4 favor;

5 (5) The approximate number of attorney hours expended by the state  
6 on the case, together with the corresponding dollar amount billed  
7 therefore; and

8 (6) Such other matters relating to the case as the attorney general  
9 deems relevant or appropriate, especially including any comments or  
10 recommendations for changes in statute law or agency practice that  
11 might effectively reduce the exposure of the state to such tort claims.

12 **Sec. 23.** RCW 46.44.042 and 1996 c 116 s 1 are each amended to read  
13 as follows:

14 Subject to the maximum gross weights specified in RCW 46.44.041, it  
15 is unlawful to operate any vehicle upon the public highways with a  
16 gross weight, including load, upon any tire concentrated upon the  
17 surface of the highway in excess of six hundred pounds per inch width  
18 of such tire. An axle manufactured after July 31, 1993, carrying more  
19 than ten thousand pounds gross weight must be equipped with four or  
20 more tires. ~~((Effective January 1, 1997,))~~ An axle carrying more than  
21 ten thousand pounds gross weight must have four or more tires,  
22 regardless of date of manufacture. Instead of the four or more tires  
23 per axle requirements of this section, an axle may be equipped with two  
24 tires limited to five hundred pounds per inch width of tire. This  
25 section does not apply to vehicles operating under oversize or  
26 overweight permits, or both, issued under RCW 46.44.090, while carrying  
27 a nonreducible load.

28 The following equipment may operate at six hundred pounds per inch  
29 width of tire: (1) A nonliftable steering axle or axles on the power  
30 unit; (2) a tiller axle on fire fighting apparatus; (3) a rear booster  
31 trailing axle equipped with two tires on a ready-mix concrete transit  
32 truck; and (4) a straddle trailer manufactured before January 1, 1996,  
33 equipped with single-tire axles or a single axle using a walking beam  
34 supported by two in-line single tires and used exclusively for the  
35 transport of fruit bins between field, storage, and processing. A  
36 straddle trailer manufactured after January 1, 1996, meeting this use

1 criteria may carry five hundred fifteen pounds per inch width of tire  
2 on sixteen and one-half inch wide tires.

3 For the purpose of this section, the width of tire in case of solid  
4 rubber or hollow center cushion tires, so long as the use thereof may  
5 be permitted by the law, shall be measured between the flanges of the  
6 rim. For the purpose of this section, the width of tires in case of  
7 pneumatic tires shall be the maximum overall normal inflated width as  
8 stipulated by the manufacturer when inflated to the pressure specified  
9 and without load thereon.

10 The department of transportation, (~~under rules adopted by the~~  
11 ~~transportation commission~~) by rule with respect to state highways, and  
12 a local authority, with respect to a public highway under its  
13 jurisdiction, may extend the weight table in RCW 46.44.041 to one  
14 hundred fifteen thousand pounds. However, the extension must be in  
15 compliance with federal law, and vehicles operating under the extension  
16 must be in full compliance with the 1997 axle and tire requirements  
17 under this section.

18 **Sec. 24.** RCW 46.44.080 and 1977 ex.s. c 151 s 29 are each amended  
19 to read as follows:

20 Local authorities with respect to public highways under their  
21 jurisdiction may prohibit the operation thereon of motor trucks or  
22 other vehicles or may impose limits as to the weight thereof, or any  
23 other restrictions as may be deemed necessary, whenever any such public  
24 highway by reason of rain, snow, climatic or other conditions, will be  
25 seriously damaged or destroyed unless the operation of vehicles thereon  
26 be prohibited or restricted or the permissible weights thereof reduced:  
27 PROVIDED, That whenever a highway has been closed generally to vehicles  
28 or specified classes of vehicles, local authorities shall by general  
29 rule or by special permit authorize the operation thereon of school  
30 buses, emergency vehicles, and motor trucks transporting perishable  
31 commodities or commodities necessary for the health and welfare of  
32 local residents under such weight and speed restrictions as the local  
33 authorities deem necessary to protect the highway from undue damage:  
34 PROVIDED FURTHER, That the governing authorities of incorporated cities  
35 and towns shall not prohibit the use of any city street designated (~~by~~  
36 ~~the transportation commission as forming~~) a part of the route of any  
37 primary state highway through any such incorporated city or town by



1 vehicles or any class of vehicles or impose any restrictions or  
2 reductions in permissible weights unless such restriction, limitation,  
3 or prohibition, or reduction in permissible weights be first approved  
4 in writing by the department of transportation.

5 The local authorities imposing any such restrictions or  
6 limitations, or prohibiting any use or reducing the permissible weights  
7 shall do so by proper ordinance or resolution and shall erect or cause  
8 to be erected and maintained signs designating the provisions of the  
9 ordinance or resolution in each end of the portion of any public  
10 highway affected thereby, and no such ordinance or resolution shall be  
11 effective unless and until such signs are erected and maintained.

12 The department shall have the same authority as hereinabove granted  
13 to local authorities to prohibit or restrict the operation of vehicles  
14 upon state highways. The department shall give public notice of  
15 closure or restriction. The department may issue special permits for  
16 the operation of school buses and motor trucks transporting perishable  
17 commodities or commodities necessary for the health and welfare of  
18 local residents under specified weight and speed restrictions as may be  
19 necessary to protect any state highway from undue damage.

20 **Sec. 25.** RCW 46.44.090 and 2001 c 262 s 1 are each amended to read  
21 as follows:

22 The department of transportation, pursuant to its rules (~~adopted~~  
23 ~~by the transportation commission~~) with respect to state highways, and  
24 local authorities, with respect to public highways under their  
25 jurisdiction, may, upon application in writing and good cause being  
26 shown therefor, issue a special permit in writing, or electronically,  
27 authorizing the applicant to operate or move a vehicle or combination  
28 of vehicles of a size, weight of vehicle, or load exceeding the maximum  
29 set forth in RCW 46.44.010, 46.44.020, 46.44.030, 46.44.034, and  
30 46.44.041 upon any public highway under the jurisdiction of the  
31 authority granting such permit and for the maintenance of which such  
32 authority is responsible.

33 **Sec. 26.** RCW 46.44.092 and 1989 c 398 s 2 are each amended to read  
34 as follows:

35 Special permits may not be issued for movements on any state

1 highway outside the limits of any city or town in excess of the  
2 following widths:

3 On two-lane highways, fourteen feet;

4 On multiple-lane highways where a physical barrier serving as a  
5 median divider separates opposing traffic lanes, twenty feet;

6 On multiple-lane highways without a physical barrier serving as a  
7 median divider, thirty-two feet.

8 These limits apply except under the following conditions:

9 (1) In the case of buildings, the limitations referred to in this  
10 section for movement on any two lane state highway other than the  
11 national system of interstate and defense highways may be exceeded  
12 under the following conditions: (a) Controlled vehicular traffic shall  
13 be maintained in one direction at all times; (b) the maximum distance  
14 of movement shall not exceed five miles; additional contiguous permits  
15 shall not be issued to exceed the five-mile limit: PROVIDED, That when  
16 the department of transportation(~~(, pursuant to general rules adopted~~  
17 ~~by the transportation commission,~~)) determines a hardship would result,  
18 this limitation may be exceeded upon approval of the department of  
19 transportation; (c) prior to issuing a permit a qualified  
20 transportation department employee shall make a visual inspection of  
21 the building and route involved determining that the conditions listed  
22 herein shall be complied with and that structures or overhead  
23 obstructions may be cleared or moved in order to maintain a constant  
24 and uninterrupted movement of the building; (d) special escort or other  
25 precautions may be imposed to assure movement is made under the safest  
26 possible conditions, and the Washington state patrol shall be advised  
27 when and where the movement is to be made;

28 (2) Permits may be issued for widths of vehicles in excess of the  
29 preceding limitations on highways or sections of highways which have  
30 been designed and constructed for width in excess of such limitations;

31 (3) Permits may be issued for vehicles with a total outside width,  
32 including the load, of nine feet or less when the vehicle is equipped  
33 with a mechanism designed to cover the load pursuant to RCW 46.61.655;

34 (4) These limitations may be rescinded when certification is made  
35 by military officials, or by officials of public or private power  
36 facilities, or when in the opinion of the department of transportation  
37 the movement or action is a necessary movement or action: PROVIDED

1 FURTHER, That in the judgment of the department of transportation the  
2 structures and highway surfaces on the routes involved are capable of  
3 sustaining widths in excess of such limitation;

4 (5) These limitations shall not apply to movement during daylight  
5 hours on any two lane state highway where the gross weight, including  
6 load, does not exceed eighty thousand pounds and the overall width of  
7 load does not exceed sixteen feet: PROVIDED, That the minimum and  
8 maximum speed of such movements, prescribed routes of such movements,  
9 the times of such movements, limitation upon frequency of trips (which  
10 limitation shall be not less than one per week), and conditions to  
11 assure safety of traffic may be prescribed by the department of  
12 transportation or local authority issuing such special permit.

13 The applicant for any special permit shall specifically describe  
14 the vehicle or vehicles and load to be operated or moved and the  
15 particular state highways for which permit to operate is requested and  
16 whether such permit is requested for a single trip or for continuous  
17 operation.

18 **Sec. 27.** RCW 46.44.096 and 1996 c 92 s 1 are each amended to read  
19 as follows:

20 In determining fees according to RCW 46.44.0941, mileage on state  
21 primary and secondary highways shall be determined from the planning  
22 survey records of the department of transportation, and the gross  
23 weight of the vehicle or vehicles, including load, shall be declared by  
24 the applicant. Overweight on which fees shall be paid will be gross  
25 loadings in excess of loadings authorized by law or axle loadings in  
26 excess of loadings authorized by law, whichever is the greater. Loads  
27 which are overweight and oversize shall be charged the fee for the  
28 overweight permit without additional fees being assessed for the  
29 oversize features.

30 Special permits issued under RCW 46.44.047, 46.44.0941, or  
31 46.44.095, may be obtained from offices of the department of  
32 transportation, ports of entry, or other agents appointed by the  
33 department.

34 The department may appoint agents for the purposes of selling  
35 special motor vehicle permits, temporary additional tonnage permits,  
36 and log tolerance permits. Agents so appointed may retain three  
37 dollars and fifty cents for each permit sold to defray expenses

1 incurred in handling and selling the permits. If the fee is collected  
2 by the department of transportation, the department shall certify the  
3 fee so collected to the state treasurer for deposit to the credit of  
4 the motor vehicle fund.

5 The department may select a third party contractor, by means of  
6 competitive bid, to perform the department's permit issuance function,  
7 as provided under RCW 46.44.090. Factors the department shall  
8 consider, but is not limited to, in the selection of a third party  
9 contractor are economic benefit to both the department and the motor  
10 carrier industry, and enhancement of the overall level of permit  
11 service. For purposes of this section, "third party contractor" means  
12 a business entity that is authorized by the department to issue special  
13 permits. The department of transportation (~~commission~~) may adopt  
14 rules specifying the criteria that a business entity must meet in order  
15 to qualify as a third party contractor under this section.

16 Fees established in RCW 46.44.0941 shall be paid to the political  
17 body issuing the permit if the entire movement is to be confined to  
18 roads, streets, or highways for which that political body is  
19 responsible. When a movement involves a combination of state highways,  
20 county roads, and/or city streets the fee shall be paid to the  
21 (~~state~~) department of transportation. When a movement is confined  
22 within the city limits of a city or town upon city streets, including  
23 routes of state highways on city streets, all fees shall be paid to the  
24 city or town involved. A permit will not be required from city or town  
25 authorities for a move involving a combination of city or town streets  
26 and state highways when the move through a city or town is being  
27 confined to the route of the state highway. When a move involves a  
28 combination of county roads and city streets the fee shall be paid to  
29 the county authorities, but the fee shall not be collected nor the  
30 county permit issued until valid permits are presented showing that the  
31 city or town authorities approve of the move in question. When the  
32 movement involves only county roads the fees collected shall be paid to  
33 the county involved. Fees established shall be paid to the political  
34 body issuing the permit if the entire use of the vehicle during the  
35 period covered by the permit shall be confined to the roads, streets,  
36 or highways for which that political body is responsible.

1       **Sec. 28.** RCW 46.61.450 and 1977 ex.s. c 151 s 39 are each amended  
2 to read as follows:

3       It shall be unlawful for any person to operate a vehicle or any  
4 combination of vehicles over any bridge or other elevated structure or  
5 through any tunnel or underpass constituting a part of any public  
6 highway at a rate of speed or with a gross weight or of a size which is  
7 greater at any time than the maximum speed or maximum weight or size  
8 which can be maintained or carried with safety over any such bridge or  
9 structure or through any such tunnel or underpass when such bridge,  
10 structure, tunnel, or underpass is sign posted as hereinafter provided.  
11 The secretary of transportation, if it be a bridge, structure, tunnel,  
12 or underpass upon a state highway, or the governing body or authorities  
13 of any county, city, or town, if it be upon roads or streets under  
14 their jurisdiction, may restrict the speed which may be maintained or  
15 the gross weight or size which may be operated upon or over any such  
16 bridge or elevated structure or through any such tunnel or underpass  
17 with safety thereto. The secretary or the governing body or  
18 authorities of any county, city, or town having jurisdiction shall  
19 determine and declare the maximum speed or maximum gross weight or size  
20 which such bridge, elevated structure, tunnel, or underpass can  
21 withstand or accommodate and shall cause suitable signs stating such  
22 maximum speed or maximum gross weight, or size, or either, to be  
23 erected and maintained on the right hand side of such highway, road, or  
24 street and at a distance of not less than one hundred feet from each  
25 end of such bridge, structure, tunnel, or underpass and on the approach  
26 thereto: PROVIDED, That in the event that any such bridge, elevated  
27 structure, tunnel, or underpass is upon a city street designated by the  
28 department of transportation (~~commission~~) as forming a part of the  
29 route of any state highway through any such incorporated city or town  
30 the determination of any maximum speed or maximum gross weight or size  
31 which such bridge, elevated structure, tunnel, or underpass can  
32 withstand or accommodate shall not be enforceable at any speed, weight,  
33 or size less than the maximum allowed by law, unless with the approval  
34 in writing of the secretary. Upon the trial of any person charged with  
35 a violation of this section, proof of either violation of maximum speed  
36 or maximum weight, or size, or either, and the distance and location of  
37 such signs as are required, shall constitute conclusive evidence of the

1 maximum speed or maximum weight, or size, or either, which can be  
2 maintained or carried with safety over such bridge or elevated  
3 structure or through such tunnel or underpass.

4 **Sec. 29.** RCW 46.68.113 and 2003 c 363 s 305 are each amended to  
5 read as follows:

6 During the 2003-2005 biennium, cities and towns shall provide to  
7 the transportation commission, or its successor entity, preservation  
8 rating information on at least seventy percent of the total city and  
9 town arterial network. Thereafter, the preservation rating information  
10 requirement shall increase in five percent increments in subsequent  
11 biennia. The rating system used by cities and towns must be based upon  
12 the Washington state pavement rating method or an equivalent standard  
13 approved by the department of transportation (~~commission or its~~  
14 ~~successor entity~~). Beginning January 1, 2007, the preservation rating  
15 information shall be submitted to the department.

16 **Sec. 30.** RCW 47.68.410 and 2005 c 316 s 3 are each amended to read  
17 as follows:

18 (1) Upon completion of both the statewide assessment and analysis  
19 required under RCW 47.68.390 and 47.68.400, and to the extent funds are  
20 appropriated to the department for this purpose, the governor shall  
21 appoint an aviation planning council to consist of the following  
22 members: (a) The director of the aviation division of the department  
23 of transportation, or a designee; (b) the director of the department of  
24 community, trade, and economic development, or a designee; (c) (~~a~~  
25 ~~member of the transportation commission,~~) an at large who shall be the  
26 chair of the council; (d) two members of the general public familiar  
27 with airport issues, including the impacts of airports on communities,  
28 one of whom must be from western Washington and one of whom must be  
29 from eastern Washington; (e) a technical expert familiar with federal  
30 aviation administration airspace and control issues; (f) a commercial  
31 airport operator; (g) a member of a growth management hearings board;  
32 (h) a representative of the Washington airport management association;  
33 and (i) an airline representative. The chair of the council may  
34 designate another councilmember to serve as the acting chair in the  
35 absence of the chair. The department of transportation shall provide  
36 all administrative and staff support for the council.

1 (2) The purpose of the council is to make recommendations, based on  
2 the findings of the assessment and analysis completed under RCW  
3 47.68.390 and 47.68.400, regarding how best to meet the statewide  
4 commercial and general aviation capacity needs, as determined by the  
5 council. The council shall determine which regions of the state are in  
6 need of improvement regarding the matching of existing, or projected,  
7 airport facilities, and the long-range capacity needs at airports  
8 within the region expected to reach capacity before the year 2030.  
9 After determining these areas, the council shall make recommendations  
10 regarding the placement of future commercial and general aviation  
11 airport facilities designed to meet the need for improved aviation  
12 planning in the region. The council shall include public input in  
13 making final recommendations.

14 (3) The council shall submit its recommendations to the appropriate  
15 standing committees of the legislature, the governor, (~~the~~  
16 ~~transportation commission,~~) and applicable regional transportation  
17 planning organizations.

18 (4) This section expires July 1, 2009.

19 **Sec. 31.** RCW 47.28.010 and 1977 ex.s. c 151 s 59 are each amended  
20 to read as follows:

21 Whenever the general route of any state highway shall be designated  
22 and laid out as running to or by way of certain designated points,  
23 without specifying the particular route to be followed to or by way of  
24 such points, the (~~transportation commission~~) department shall  
25 determine the particular route to be followed by said state highway to  
26 or by way of said designated points, and shall be at liberty to select  
27 and adopt as a part of such state highway, the whole or any part of any  
28 existing public highway previously designated as a county road, primary  
29 road, or secondary road or now or hereafter classified as a county  
30 road. The (~~commission~~) department need not select and adopt the  
31 entire routes for such state highways at one time, but may select and  
32 adopt parts of such routes from time to time as it deems advisable.  
33 Where a state highway is designated as passing by way of a certain  
34 point, this shall not require the (~~commission~~) department to cause  
35 such state highway to pass through or touch such point but such  
36 designation is directional only and may be complied with by location in  
37 the general vicinity. The department (~~of transportation~~) is

1 empowered to construct as a part of any state highway as designated and  
2 in addition to any portion meeting the limits of any incorporated city  
3 or town a bypass section either through or around any such incorporated  
4 city or town.

5 **Sec. 32.** RCW 47.28.170 and 1990 c 265 s 1 are each amended to read  
6 as follows:

7 (1) Whenever the department finds that as a consequence of  
8 accident, natural disaster, or other emergency, an existing state  
9 highway is in jeopardy or is rendered impassible in one or both  
10 directions and the department further finds that prompt reconstruction,  
11 repair, or other work is needed to preserve or restore the highway for  
12 public travel, the department may obtain at least three written bids  
13 for the work without publishing a call for bids, and the secretary of  
14 transportation may award a contract forthwith to the lowest responsible  
15 bidder.

16 The department shall notify any association or organization of  
17 contractors filing a request to regularly receive notification.  
18 Notification to an association or organization of contractors shall  
19 include: (a) The location of the work to be done; (b) the general  
20 anticipated nature of the work to be done; and (c) the date determined  
21 by the department as reasonable in view of the nature of the work and  
22 emergent nature of the problem after which the department will not  
23 receive bids.

24 (2) Whenever the department finds it necessary to protect a highway  
25 facility from imminent damage or to perform emergency work to reopen a  
26 highway facility, the department may contract for such work on a  
27 negotiated basis not to exceed force account rates for a period not to  
28 exceed thirty working days.

29 (3) The secretary shall review any contract exceeding ~~((two))~~ seven  
30 hundred thousand dollars awarded under subsection (1) or (2) of this  
31 section with the ~~((transportation commission at its next regularly~~  
32 ~~scheduled meeting))~~ office of financial management within thirty days  
33 of the contract award.

34 (4) Any person, firm, or corporation awarded a contract for work  
35 must be prequalified pursuant to RCW 47.28.070 and may be required to  
36 furnish a bid deposit or performance bond.



1       **Sec. 33.** RCW 47.38.060 and 1996 c 172 s 1 are each amended to read  
2 as follows:

3       The ((~~transportation—commission~~)) department may designate  
4 interstate safety rest areas, as appropriate, as locations for memorial  
5 signs to prisoners of war and those missing in action. The  
6 ((~~commission~~)) department shall adopt policies for the placement of  
7 memorial signs on interstate safety rest areas and may disapprove any  
8 memorial sign that it determines to be inappropriate or inconsistent  
9 with the policies. The policies shall include, but are not limited to,  
10 guidelines for the size and location of and inscriptions on memorial  
11 signs. The secretary shall adopt rules for administering this program.  
12 Nonprofit associations may have their name identified on a memorial  
13 sign if the association bears the cost of supplying and maintaining the  
14 memorial sign.

15       **Sec. 34.** RCW 47.52.133 and 1987 c 200 s 2 are each amended to read  
16 as follows:

17       Except as provided in RCW 47.52.134, the ((~~transportation~~  
18 ~~commission~~)) department and the highway authorities of the counties and  
19 incorporated cities and towns, with regard to facilities under their  
20 respective jurisdictions, prior to the establishment of any limited  
21 access facility, shall hold a public hearing within the county, city,  
22 or town wherein the limited access facility is to be established to  
23 determine the desirability of the plan proposed by such authority.  
24 Notice of such hearing shall be given to the owners of property  
25 abutting the section of any existing highway, road, or street being  
26 established as a limited access facility, as indicated in the tax rolls  
27 of the county, and in the case of a state limited access facility, to  
28 the county and/or city or town. Such notice shall be by United States  
29 mail in writing, setting forth a time for the hearing, which time shall  
30 be not less than fifteen days after mailing of such notice. Notice of  
31 such hearing also shall be given by publication not less than fifteen  
32 days prior to such hearing in one or more newspapers of general  
33 circulation within the county, city, or town. Such notice by  
34 publication shall be deemed sufficient as to any owner or reputed owner  
35 or any unknown owner or owner who cannot be located. Such notice shall  
36 indicate a suitable location where plans for such proposal may be  
37 inspected.

1       **Sec. 35.** RCW 47.52.145 and 1981 c 95 s 2 are each amended to read  
2 as follows:

3       (~~Whenever~~) After (~~the~~) final adoption of a (~~plan for a~~)  
4 limited access highway by the (~~transportation commission~~) department,  
5 an additional design public hearing with respect to the facility or any  
6 portion thereof is conducted pursuant to federal law resulting in a  
7 revision of the design of the limited access plan, the (~~commission~~)  
8 department may modify the previously adopted limited access plan to  
9 conform to the revised design without further public hearings providing  
10 the following conditions are met:

11       (1) As compared with the previously adopted limited access plan,  
12 the revised plan will not require additional or different right of way  
13 with respect to that section of highway for which the design has been  
14 revised, in excess of five percent by area; and

15       (2) If the previously adopted limited access plan was modified by  
16 a board of review convened at the request of a county, city, or town,  
17 the legislative authority of the county, city, or town shall approve  
18 any revisions of the plan which conflict with modifications ordered by  
19 the board of review.

20       **Sec. 36.** RCW 47.52.210 and 1981 c 95 s 3 are each amended to read  
21 as follows:

22       (1) Whenever the (~~transportation commission~~) department adopts a  
23 plan for a limited access highway to be constructed within the  
24 corporate limits of a city or town which incorporates existing city or  
25 town streets, title to such streets shall remain in the city or town,  
26 and the provisions of RCW 47.24.020 as now or hereafter amended shall  
27 continue to apply to such streets until such time that the highway is  
28 operated as either a partially or fully controlled access highway.  
29 Title to and full control over that portion of the city or town street  
30 incorporated into the limited access highway shall be vested in the  
31 state upon a declaration by the secretary of transportation that such  
32 highway is operational as a limited access facility, but in no event  
33 prior to the acquisition of right of way for such highway including  
34 access rights, and not later than the final completion of construction  
35 of such highway.

36       (2) Upon the completion of construction of a state limited access  
37 highway within a city or town, the department of transportation may

1 relinquish to the city or town streets constructed or improved as a  
2 functional part of the limited access highway, slope easements,  
3 landscaping areas, and other related improvements to be maintained and  
4 operated by the city or town in accordance with the limited access  
5 plan. Title to such property relinquished to a city or town shall be  
6 conveyed by a deed executed by the secretary of transportation and duly  
7 acknowledged. Relinquishment of such property to the city or town may  
8 be expressly conditioned upon the maintenance of access control  
9 acquired by the state and the continued operation of such property as  
10 a functional part of the limited access highway.

11 **Sec. 37.** RCW 47.60.330 and 2003 c 374 s 5 are each amended to read  
12 as follows:

13 (1) Before a substantial expansion or curtailment in the level of  
14 service provided to ferry users, or a revision in the schedule of ferry  
15 tolls or charges, the department (~~(of transportation)~~) shall consult  
16 with affected ferry users. The consultation shall be: (a) By public  
17 hearing in affected local communities; (b) by review with the affected  
18 ferry advisory committees pursuant to RCW 47.60.310; (c) by conducting  
19 a survey of affected ferry users; or (d) by any combination of (a)  
20 through (c). Promotional, discount, and special event fares that are  
21 not part of the published schedule of ferry charges or tolls are  
22 exempt. The department shall report an accounting of all exempt  
23 revenues to the transportation commission and the office of financial  
24 management each fiscal year.

25 (2) There is created a ferry system productivity council consisting  
26 of a representative of each ferry advisory committee empanelled under  
27 RCW 47.60.310, elected by the members thereof, and two representatives  
28 of employees of the ferry system appointed by mutual agreement of all  
29 of the unions representing ferry employees, which shall meet from time  
30 to time with ferry system management to discuss means of improving  
31 ferry system productivity.

32 (3) Before increasing ferry tolls the department of transportation  
33 shall consider (~~(all possible)~~) cost reductions with full public  
34 participation as provided in subsection (1) of this section and,  
35 consistent with public policy, shall consider adapting service levels  
36 equitably on a route-by-route basis to reflect trends in and forecasts  
37 of traffic usage. (~~(Forecasts of traffic levels shall be developed by~~

1 ~~the bond covenant traffic engineering firm appointed under the~~  
2 ~~provisions of RCW 47.60.450. Provisions of this section shall not~~  
3 ~~alter obligations under RCW 47.60.450.))~~ Before including any toll  
4 increase in a budget proposal (~~by the commission~~), the department  
5 (~~of transportation~~) shall consult with affected ferry users in the  
6 manner prescribed in (1)(b) of this section plus the procedure of  
7 either (1)(a) or (c) of this section.

8 **Sec. 38.** RCW 47.68.390 and 2005 c 316 s 1 are each amended to read  
9 as follows:

10 (1) The aviation division of the department of transportation shall  
11 conduct a statewide airport capacity and facilities assessment. The  
12 assessment must include a statewide analysis of existing airport  
13 facilities, and passenger and air cargo transportation capacity,  
14 regarding both commercial aviation and general aviation; however, the  
15 primary focus of the assessment must be on commercial aviation. The  
16 assessment must at a minimum address the following issues:

17 (a) Existing airport facilities, both commercial and general  
18 aviation, including air side, land side, and airport service  
19 facilities;

20 (b) Existing air and airport capacity, including the number of  
21 annual passengers and air cargo operations;

22 (c) Existing airport services, including fixed based operator  
23 services, fuel services, and ground services; and

24 (d) Existing airspace capacity.

25 (2) The department shall consider existing information, technical  
26 analyses, and other research the department deems appropriate. The  
27 department may contract and consult with private independent  
28 professional and technical experts regarding the assessment.

29 (3) The department shall submit the assessment to the appropriate  
30 standing committees of the legislature, the governor, (~~the~~  
31 ~~transportation commission,~~) and regional transportation planning  
32 organizations by July 1, 2006.

33 **Sec. 39.** RCW 47.68.400 and 2005 c 316 s 2 are each amended to read  
34 as follows:

35 (1) After submitting the assessment under RCW 47.68.390, the  
36 aviation division of the department of transportation shall conduct a

1 statewide airport capacity and facilities market analysis. The  
2 analysis must include a statewide needs analysis of airport facilities,  
3 passenger and air cargo transportation capacity, and demand and  
4 forecast market needs over the next twenty-five years with a more  
5 detailed analysis of the Puget Sound, southwest Washington, Spokane,  
6 and Tri-Cities regions. The analysis must address the forecasted needs  
7 of both commercial aviation and general aviation; however, the primary  
8 focus of the analysis must be on commercial aviation. The analysis  
9 must at a minimum address the following issues:

10 (a) A forecast of future airport facility needs based on passenger  
11 and air cargo operations and demand, airline planning, and a  
12 determination of aviation trends, demographic, geographic, and market  
13 factors that may affect future air travel demand;

14 (b) A determination of when the state's existing commercial service  
15 airports will reach their capacity;

16 (c) The factors that may affect future air travel and when capacity  
17 may be reached and in which location;

18 (d) The role of the state, metropolitan planning organizations,  
19 regional transportation planning organizations, the federal aviation  
20 administration, and airport sponsors in addressing statewide airport  
21 facilities and capacity needs; and

22 (e) Whether the state, metropolitan planning organizations,  
23 regional transportation planning organizations, the federal aviation  
24 administration, or airport sponsors have identified options for  
25 addressing long-range capacity needs at airports, or in regions, that  
26 will reach capacity before the year 2030.

27 (2) The department shall consider existing information, technical  
28 analyses, and other research the department deems appropriate. The  
29 department may contract and consult with private independent  
30 professional and technical experts regarding the analysis.

31 (3) The department shall submit the analysis to the appropriate  
32 standing committees of the legislature, the governor, (~~the~~  
33 ~~transportation commission,~~) and regional transportation planning  
34 organizations by July 1, 2007.

35 **Sec. 40.** RCW 81.112.086 and 2003 c 363 s 306 are each amended to  
36 read as follows:

37 As a condition of receiving state funding, a regional transit

1 authority shall submit a maintenance and preservation management plan  
2 for certification by the department of transportation (~~commission or~~  
3 ~~its successor entity~~). The plan must inventory all transportation  
4 system assets within the direction and control of the transit  
5 authority, and provide a plan for preservation of assets based on  
6 lowest life-cycle cost methodologies.

7 **Sec. 41.** RCW 35.58.2795 and 1994 c 158 s 6 are each amended to  
8 read as follows:

9 By April 1st of each year, the legislative authority of each  
10 municipality, as defined in RCW 35.58.272, and each regional transit  
11 authority shall prepare a six-year transit development plan for that  
12 calendar year and the ensuing five years. The program shall be  
13 consistent with the comprehensive plans adopted by counties, cities,  
14 and towns, pursuant to chapter 35.63, 35A.63, or 36.70 RCW, the  
15 inherent authority of a first class city or charter county derived from  
16 its charter, or chapter 36.70A RCW. The program shall contain  
17 information as to how the municipality intends to meet state and local  
18 long-range priorities for public transportation, capital improvements,  
19 significant operating changes planned for the system, and how the  
20 municipality intends to fund program needs. The six-year plan for each  
21 municipality and regional transit authority shall specifically set  
22 forth those projects of regional significance for inclusion in the  
23 transportation improvement program within that region. Each  
24 municipality and regional transit authority shall file the six-year  
25 program with the state department of transportation, the transportation  
26 improvement board, and cities, counties, and regional planning councils  
27 within which the municipality is located.

28 In developing its program, the municipality and the regional  
29 transit authority shall consider those policy recommendations affecting  
30 public transportation contained in the state transportation policy plan  
31 (~~approved by the state transportation commission~~) and, where  
32 appropriate, adopted by the legislature. The municipality shall  
33 conduct one or more public hearings while developing its program and  
34 for each annual update.

35 **Sec. 42.** RCW 36.56.121 and 2003 c 363 s 303 are each amended to  
36 read as follows:

1 As a condition of receiving state funding, a county that has  
2 assumed the transportation functions of a metropolitan municipal  
3 corporation shall submit a maintenance and preservation management plan  
4 for certification by the (~~transportation commission or its successor~~  
5 ~~entity~~) department of transportation. The plan must inventory all  
6 transportation system assets within the direction and control of the  
7 county, and provide a preservation plan based on lowest life-cycle cost  
8 methodologies.

9 **Sec. 43.** RCW 36.57A.070 and 1985 c 6 s 5 are each amended to read  
10 as follows:

11 The comprehensive transit plan adopted by the authority shall be  
12 reviewed by the state department of transportation (~~commission~~) to  
13 determine:

14 (1) The completeness of service to be offered and the economic  
15 viability of the transit system proposed in such comprehensive transit  
16 plan;

17 (2) Whether such plan integrates the proposed transportation system  
18 with existing transportation modes and systems that serve the benefit  
19 area;

20 (3) Whether such plan coordinates that area's system and service  
21 with nearby public transportation systems;

22 (4) Whether such plan is eligible for matching state or federal  
23 funds(~~+~~

24 ~~After reviewing the comprehensive transit plan, the state~~  
25 ~~transportation commission shall have sixty days in which to approve~~  
26 ~~such plan and to certify to the state treasurer that such public~~  
27 ~~transportation benefit area shall be eligible to receive the motor~~  
28 ~~vehicle excise tax proceeds authorized pursuant to RCW 35.58.273, as~~  
29 ~~now or hereafter amended in the manner prescribed by chapter 82.44 RCW,~~  
30 ~~as now or hereafter amended. To be approved a plan shall provide for~~  
31 ~~coordinated transportation planning, the integration of such proposed~~  
32 ~~transportation program with other transportation systems operating in~~  
33 ~~areas adjacent to, or in the vicinity of the proposed public~~  
34 ~~transportation benefit area, and be consistent with the public~~  
35 ~~transportation coordination criteria adopted pursuant to the urban mass~~  
36 ~~transportation act of 1964 as amended as of July 1, 1975. In the event~~  
37 ~~such comprehensive plan is disapproved and ruled ineligible to receive~~

1 ~~motor vehicle tax proceeds, the state transportation commission shall~~  
2 ~~provide written notice to the authority within thirty days as to the~~  
3 ~~reasons for such plan's disapproval and such ineligibility. The~~  
4 ~~authority may resubmit such plan upon reconsideration and correction of~~  
5 ~~such deficiencies in the plan cited in such notice of disapproval)).~~

6 **Sec. 44.** RCW 47.29.010 and 2005 c 317 s 1 are each amended to read  
7 as follows:

8 (1) The legislature finds that the public-private  
9 (~~{transportation}~~) transportation initiatives act created under  
10 chapter 47.46 RCW has not met the needs and expectations of the public  
11 or private sectors for the development of transportation projects. The  
12 legislature intends to phase out chapter 47.46 RCW coincident with the  
13 completion of the Tacoma Narrows Bridge - SR 16 public-private  
14 partnership. From July 24, 2005, this chapter will provide a more  
15 desirable and effective approach to developing transportation projects  
16 in partnership with the private sector by applying lessons learned from  
17 other states and from this state's ten-year experience with chapter  
18 47.46 RCW.

19 (2) It is the legislature's intent to achieve the following goals  
20 through the creation of this new approach to public-private  
21 partnerships:

22 (a) To provide a well-defined mechanism to facilitate the  
23 collaboration between public and private entities in transportation;

24 (b) To bring innovative thinking from the private sector and other  
25 states to bear on public projects within the state;

26 (c) To provide greater flexibility in achieving the transportation  
27 projects; and

28 (d) To allow for creative cost and risk sharing between the public  
29 and private partners.

30 (3) The legislature intends that the powers granted in this chapter  
31 to the commission or department are in addition to any powers granted  
32 under chapter 47.56 RCW.

33 (4) It is further the intent of the legislature that (~~the~~  
34 ~~commission shall be responsible for receiving, reviewing, and approving~~  
35 ~~proposals with technical support of the department; rule making; and~~  
36 ~~for oversight of contract execution. The department shall be~~  
37 ~~responsible for evaluating proposals and negotiating contracts)) an~~



1 expert review panel be established for each project developed under  
2 this act. Expert review panels shall be responsible for reviewing  
3 selected proposals, analyzing and reviewing tentative agreements, and  
4 making recommendations to the governor on the advisability of executing  
5 agreements under this act.

6 **Sec. 45.** RCW 47.29.020 and 2005 c 317 s 2 are each amended to read  
7 as follows:

8 The definitions in this section apply throughout this chapter.

9 ~~(1) ("Authority" means the transportation commission.~~

10 ~~(2) "Commission" means the transportation commission.~~

11 ~~(3))~~ "Department" means the department of transportation.

12 ~~((4))~~ (2) "Eligible project" means any project eligible for  
13 development under RCW 47.29.050.

14 ~~((5))~~ (3) "Eligible public works project" means only a project  
15 that meets the criteria of either RCW 47.29.060 (3) or (4).

16 ~~((6))~~ (4) "Expert review panel" means a panel established by the  
17 governor to review tentative agreements and make recommendations to the  
18 governor for approval, rejection, or continued negotiations on a  
19 proposed project agreement.

20 (5) "Private sector partner" and "private partner" ~~((means))~~ mean  
21 a person, entity, or organization that is not the federal government,  
22 a state, or a political subdivision of a state.

23 ~~((7))~~ (6) "Public funds" means all moneys derived from taxes,  
24 fees, charges, tolls, etc.

25 ~~((8))~~ (7) "Public sector partner" and "public partner" ~~((means))~~  
26 mean any federal or state unit of government, bistate transportation  
27 organization, or any other political subdivision of any state.

28 ~~((9))~~ (8) "Transportation innovative partnership program" or  
29 "program" means the program as outlined in RCW 47.29.040.

30 ~~((10))~~ (9) "Transportation project" means a project, whether  
31 capital or operating, where the state's primary purpose for the project  
32 is to preserve or facilitate the safe transport of people or goods via  
33 any mode of travel. However, this does not include projects that are  
34 primarily for recreational purposes, such as parks, hiking trails, off-  
35 road vehicle trails, etc.

36 ~~((11))~~ (10) "Unit of government" means any department or agency  
37 of the federal government, any state or agency, office, or department

1 of a state, any city, county, district, commission, authority, entity,  
2 port, or other public corporation organized and existing under  
3 statutory law or under a voter-approved charter or initiative, and any  
4 intergovernmental entity created under chapter 39.34 RCW or this  
5 chapter.

6 **Sec. 46.** RCW 47.29.030 and 2005 c 317 s 3 are each amended to read  
7 as follows:

8 In addition to the powers it now possesses, the ~~((commission))~~  
9 department shall:

10 (1) ~~((Approve or review contracts or agreements authorized in this~~  
11 ~~chapter;~~

12 ~~(2))~~ Adopt rules to carry out this chapter and govern the program,  
13 which at a minimum must address the following issues:

14 (a) The types of projects allowed; however, all allowed projects  
15 must be included in the Washington transportation plan or identified by  
16 the authority as being a priority need for the state;

17 (b) The types of contracts allowed, with consideration given to the  
18 best practices available;

19 (c) The composition of the team responsible for the evaluation of  
20 proposals to include:

21 (i) ~~((Washington state))~~ Department ~~((of transportation))~~ staff;

22 (ii) An independent representative of a consulting or contracting  
23 field with no interests in the project that is prohibited from becoming  
24 a project manager for the project and bidding on any part of the  
25 project;

26 (iii) An observer from the state auditor's office or the joint  
27 legislative audit and review committee;

28 (iv) A person ~~((appointed by the commission, if the secretary of~~  
29 ~~transportation is a cabinet member, or))~~ appointed by the governor ~~((if~~  
30 ~~the secretary of transportation is not a cabinet member)); and~~

31 (v) A financial expert;

32 (d) Minimum standards and criteria required of all proposals;

33 (e) Procedures for the proper solicitation, acceptance, review, and  
34 evaluation of projects;

35 (f) Criteria to be considered in the evaluation and selection of  
36 proposals that includes:

1 (i) Comparison with the department's internal ability to complete  
2 the project that documents the advantages of completing the project as  
3 a partnership versus solely as a public venture; and

4 (ii) Factors such as, but not limited to: Priority, cost, risk  
5 sharing, scheduling, and management conditions;

6 (g) The protection of confidential proprietary information while  
7 still meeting the need for public disclosure that is consistent with  
8 RCW 47.29.190;

9 (h) Protection for local contractors to participate in  
10 subcontracting opportunities;

11 (i) Specifying that maintenance issues must be resolved in a manner  
12 consistent with the personnel system reform act, chapter 41.80 RCW;

13 (j) Specifying that provisions regarding patrolling and law  
14 enforcement on a public facility are subject to approval by the  
15 Washington state patrol;

16 ~~((3))~~ (2) Adopt guidelines to address security and performance  
17 issues.

18 Preliminary rules and guidelines developed under this section must  
19 be submitted to the chairs and ranking members of both transportation  
20 committees by November 30, 2005, for review and comment. All final  
21 rules and guidelines must be submitted to the full legislature during  
22 the 2006 session for review.

23 **Sec. 47.** RCW 47.29.090 and 2005 c 317 s 9 are each amended to read  
24 as follows:

25 (1) Subject to subsection (2) of this section, the ~~((commission))~~  
26 department may:

27 (a) Solicit concepts or proposals for eligible projects from  
28 private entities and units of government;

29 (b) On or after January 1, 2007, accept unsolicited concepts or  
30 proposals for eligible projects from private entities and units of  
31 government, subject to RCW 47.29.170;

32 ~~((Direct the department to))~~ Evaluate projects for inclusion in  
33 the transportation innovative partnerships program that are already  
34 programmed or identified for traditional development by the state;

35 ~~((Direct the department to))~~ Evaluate the concepts or proposals  
36 received under this section; and

1 (e) Select potential projects based on the concepts or proposals.  
2 The evaluation under this subsection must include consultation with any  
3 appropriate unit of government.

4 (2) Before undertaking any of the activities contained in  
5 subsection (1) of this section, the (~~commission~~) department must  
6 (~~have~~):

7 (a) (~~Completed~~) Wait for completion of the tolling feasibility  
8 study before proceeding with any projects that might utilize tolls; and

9 (b) (~~Adopted~~) Adopt rules specifying procedures for the proper  
10 solicitation, acceptance, review, and evaluation of projects, which  
11 procedures must include:

12 (i) A comparison with the department's internal ability to complete  
13 the project that documents the advantages of completing the project as  
14 a partnership versus solely as a public venture; and

15 (ii) Factors such as priority, cost, risk sharing, scheduling, and  
16 management conditions.

17 **Sec. 48.** RCW 47.29.100 and 2005 c 317 s 10 are each amended to  
18 read as follows:

19 The department may charge a reasonable administrative fee for the  
20 evaluation of an unsolicited project proposal. The amount of the fee  
21 will be established in rules (~~of the commission~~).

22 **Sec. 49.** RCW 47.29.120 and 2005 c 317 s 12 are each amended to  
23 read as follows:

24 The (~~commission and~~) department may consult with legal,  
25 financial, and other experts inside and outside the public sector in  
26 the evaluation, negotiation, and development of projects under this  
27 chapter, consistent with RCW 43.10.040 where applicable.

28 **Sec. 50.** RCW 47.29.160 and 2005 c 317 s 16 are each amended to  
29 read as follows:

30 (1) Before (~~approving an~~) approval of any agreement under  
31 subsection (2) of this section, (~~the commission, with the technical~~  
32 ~~assistance of~~) the department(~~(7)~~) must:

33 (a) Prepare a financial analysis that fully discloses all project  
34 costs, direct and indirect, including costs of any financing;

1 (b) Publish notice and make available the contents of the  
2 agreement, with the exception of patent information, at least twenty  
3 days before the public hearing required in (c) of this subsection; and

4 (c) Hold a public hearing on the proposed agreement, with proper  
5 notice provided at least twenty days before the hearing. The public  
6 hearing must be held within the boundaries of the county seat of the  
7 county containing the project.

8 (2) The (~~commission~~) department must allow at least twenty days  
9 from the public hearing on the proposed agreement required under  
10 subsection (1)(c) of this section before approving and executing any  
11 agreements authorized under this chapter.

12 NEW SECTION. Sec. 51. A new section is added to chapter 47.29 RCW  
13 to read as follows:

14 (1) The department shall establish an expert review panel to  
15 review, analyze, and make recommendations to the governor on whether to  
16 approve, reject, or continue negotiations on a proposed project  
17 agreement. The department shall provide staff to support the expert  
18 review panel, if requested by the panel. The expert review panel may  
19 utilize any of the consultants under contract for the department, and  
20 the expert review panel may contract for consulting expertise in  
21 specific areas as it deems necessary to ensure a thorough and critical  
22 review of any proposed project agreement.

23 (2) The governor shall appoint members of an expert review panel  
24 that have experience in large capital project delivery, public private  
25 partnerships, public financing of infrastructure improvements, or other  
26 areas of expertise that will benefit the panel. The panel shall  
27 consist of no less than three but no more than five members, as  
28 determined by the governor.

29 NEW SECTION. Sec. 52. A new section is added to chapter 47.29 RCW  
30 to read as follows:

31 Upon receiving the recommendations of the expert review panel as  
32 provided in section 51 of this act, the governor shall execute the  
33 proposed project agreement, reject the proposed agreement, or return  
34 the agreement for continued negotiations between the state and a  
35 private partner. The execution of any agreement or the rejection of

1 any agreement shall constitute a final action for legal or  
2 administrative purposes.

3 **Sec. 53.** RCW 47.29.170 and 2005 c 317 s 17 are each amended to  
4 read as follows:

5 Before accepting any unsolicited project proposals, the  
6 (~~commission~~) department must adopt rules to facilitate the  
7 acceptance, review, evaluation, and selection of unsolicited project  
8 proposals. These rules must include the following:

9 (1) Provisions that specify unsolicited proposals must meet  
10 predetermined criteria;

11 (2) Provisions governing procedures for the cessation of  
12 negotiations and consideration;

13 (3) Provisions outlining that unsolicited proposals are subject to  
14 a two-step process that begins with concept proposals and would only  
15 advance to the second step, which are fully detailed proposals, if the  
16 (~~commission~~) department so directed;

17 (4) Provisions that require concept proposals to include at least  
18 the following information: Proposers' qualifications and experience;  
19 description of the proposed project and impact; proposed project  
20 financing; and known public benefits and opposition; and

21 (5) Provisions that specify the process to be followed if the  
22 (~~commission~~) department is interested in the concept proposal, which  
23 must include provisions:

24 (a) Requiring that information regarding the potential project  
25 would be published for a period of not less than thirty days, during  
26 which time entities could express interest in submitting a proposal;

27 (b) Specifying that if letters of interest were received during the  
28 thirty days, then an additional sixty days for submission of the fully  
29 detailed proposal would be allowed; and

30 (c) Procedures for what will happen if there are insufficient  
31 proposals submitted or if there are no letters of interest submitted in  
32 the appropriate time frame.

33 The (~~commission~~) department may adopt other rules as necessary to  
34 avoid conflicts with existing laws, statutes, or contractual  
35 obligations of the state.

36 The (~~commission~~) department may not accept or consider any  
37 unsolicited proposals before January 1, 2007.

1       **Sec. 54.** RCW 47.29.180 and 2005 c 317 s 18 are each amended to  
2 read as follows:

3       For projects with costs, including financing costs, of three  
4 hundred million dollars or greater, advisory committees are required.

5       (1) The (~~commission~~) department must (~~establish~~) support an  
6 advisory committee to advise with respect to eligible projects. An  
7 advisory committee must consist of not fewer than five and not more  
8 than nine members, as determined by the public partners. Members must  
9 be appointed by the (~~commission~~) governor, or for projects with joint  
10 public sector participation, in a manner agreed to by the  
11 (~~commission~~) governor and any participating unit of government. In  
12 making appointments to the committee, the (~~commission~~) department  
13 shall consider persons or organizations offering a diversity of  
14 viewpoints on the project.

15       (2) An advisory committee shall review concepts or proposals for  
16 eligible projects and submit comments to the public sector partners.

17       (3) An advisory committee shall meet as necessary at times and  
18 places fixed by the department, but not less than twice per year. The  
19 state shall provide personnel services to assist the advisory committee  
20 within the limits of available funds. An advisory committee may adopt  
21 rules to govern its proceedings and may select officers.

22       (4) An advisory committee must be dissolved once the project has  
23 been fully constructed and debt issued to pay for the project has been  
24 fully retired.

25       **Sec. 55.** RCW 47.29.250 and 2005 c 317 s 25 are each amended to  
26 read as follows:

27       (1) In addition to any authority the commission or department has  
28 to issue and sell bonds and other similar obligations, this section  
29 establishes continuing authority for the issuance and sale of bonds and  
30 other similar obligations in a manner consistent with this section. To  
31 finance a project in whole or in part, the (~~commission~~) secretary of  
32 the department of transportation may request that the state treasurer  
33 issue revenue bonds on behalf of the public sector partner. The bonds  
34 must be secured by a pledge of, and a lien on, and be payable only from  
35 moneys in the transportation innovative partnership account established  
36 in RCW 47.29.230, and any other revenues specifically pledged to  
37 repayment of the bonds. Such a pledge by the public partner creates a

1 lien that is valid and binding from the time the pledge is made.  
2 Revenue bonds issued under this section are not general obligations of  
3 the state or local government and are not secured by or payable from  
4 any funds or assets of the state other than the moneys and revenues  
5 specifically pledged to the repayment of such revenue bonds.

6 (2) Moneys received from the issuance of revenue bonds or other  
7 debt obligations, including any investment earnings thereon, may be  
8 spent:

9 (a) For the purpose of financing the costs of the project for which  
10 the bonds are issued;

11 (b) To pay the costs and other administrative expenses of the  
12 bonds;

13 (c) To pay the costs of credit enhancement or to fund any reserves  
14 determined to be necessary or advantageous in connection with the  
15 revenue bonds; and

16 (d) To reimburse the public sector partners for any costs related  
17 to carrying out the projects authorized under this chapter.

18 **Sec. 56.** RCW 47.10.861 and 2003 c 147 s 1 are each amended to read  
19 as follows:

20 In order to provide funds necessary for the location, design, right  
21 of way, and construction of selected projects or improvements that are  
22 identified as transportation 2003 projects or improvements in the  
23 omnibus transportation budget, there shall be issued and sold upon the  
24 request of the secretary of the department of transportation  
25 (~~commission~~) a total of two billion six hundred million dollars of  
26 general obligation bonds of the state of Washington.

27 **Sec. 57.** RCW 47.10.862 and 2003 c 147 s 2 are each amended to read  
28 as follows:

29 Upon the request of the secretary of the department of  
30 transportation (~~commission~~), as appropriate, the state finance  
31 committee shall supervise and provide for the issuance, sale, and  
32 retirement of the bonds in RCW 47.10.861 through 47.10.866 in  
33 accordance with chapter 39.42 RCW. Bonds authorized by RCW 47.10.861  
34 through 47.10.866 shall be sold in the manner, at time or times, in  
35 amounts, and at the price as the state finance committee shall



1 determine. No bonds may be offered for sale without prior legislative  
2 appropriation of the net proceeds of the sale of the bonds.

3 The state finance committee shall consider the issuance of short-  
4 term obligations in lieu of long-term obligations for the purposes of  
5 more favorable interest rates, lower total interest costs, and  
6 increased marketability and for the purpose of retiring the bonds  
7 during the life of the project for which they were issued.

8 **Sec. 58.** RCW 47.10.843 and 1998 c 321 s 16 are each amended to  
9 read as follows:

10 In order to provide funds necessary for the location, design, right  
11 of way, and construction of state and local highway improvements, there  
12 shall be issued and sold upon the request of the (~~Washington state~~)  
13 secretary of the department of transportation (~~commission~~) a maximum  
14 of one billion nine hundred million dollars of general obligation bonds  
15 of the state of Washington.

16 **Sec. 59.** RCW 47.10.844 and 1998 c 321 s 17 are each amended to  
17 read as follows:

18 Upon the request of the secretary of the department of  
19 transportation (~~commission~~), the state finance committee shall  
20 supervise and provide for the issuance, sale, and retirement of the  
21 bonds authorized by RCW 47.10.843 through 47.10.848 in accordance with  
22 chapter 39.42 RCW. Bonds authorized by RCW 47.10.843 through 47.10.848  
23 shall be sold in such manner, at such time or times, in such amounts,  
24 and at such price as the state finance committee shall determine. No  
25 such bonds may be offered for sale without prior legislative  
26 appropriation of the net proceeds of the sale of the bonds.

27 The state finance committee shall consider the issuance of short-  
28 term obligations in lieu of long-term obligations for the purposes of  
29 more favorable interest rates, lower total interest costs, and  
30 increased marketability and for the purpose of retiring the bonds  
31 during the life of the project for which they were issued.

32 **Sec. 60.** RCW 47.10.834 and 1995 2nd sp.s. c 15 s 2 are each  
33 amended to read as follows:

34 In order to provide funds necessary to implement the public-private  
35 transportation initiatives authorized by chapter 47.46 RCW, there shall

1 be issued and sold upon the request of the (~~Washington state~~)  
2 secretary of the department of transportation (~~commission~~) a total of  
3 twenty-five million six hundred twenty-five thousand dollars of general  
4 obligation bonds of the state of Washington.

5 **Sec. 61.** RCW 47.10.835 and 1994 c 183 s 3 are each amended to read  
6 as follows:

7 Upon the request of the secretary of the department of  
8 transportation (~~commission~~), the state finance committee shall  
9 supervise and provide for the issuance, sale, and retirement of the  
10 bonds authorized by RCW 47.10.834 through 47.10.841 in accordance with  
11 chapter 39.42 RCW. Bonds authorized by RCW 47.10.834 through 47.10.841  
12 shall be sold in such manner, at such time or times, in such amounts,  
13 and at such price as the state finance committee shall determine. No  
14 such bonds may be offered for sale without prior legislative  
15 appropriation of the net proceeds of the sale of the bonds. In making  
16 such appropriation of the net proceeds of the sale of the bonds, the  
17 legislature shall specify what portion of the appropriation is provided  
18 for possible loans and what portion of the appropriation is provided  
19 for other forms of cash contributions to projects.

20 The state finance committee shall consider the issuance of short-  
21 term obligations in lieu of long-term obligations for the purposes of  
22 more favorable interest rates, lower total interest costs, and  
23 increased marketability and for the purpose of retiring the bonds  
24 during the life of the project for which they were issued.

25 **Sec. 62.** RCW 47.10.819 and 1993 c 432 s 1 are each amended to read  
26 as follows:

27 In order to provide funds necessary for the location, design, right  
28 of way, and construction of selected interstate and other highway  
29 improvements, there shall be issued and sold upon the request of the  
30 (~~Washington state~~) secretary of the department of transportation  
31 (~~commission~~) a total of one hundred million dollars of general  
32 obligation bonds of the state of Washington for the following purposes  
33 and specified sums:

34 (1) Not to exceed twenty-five million dollars to pay the state's  
35 and local governments' share of matching funds for the ten

1 demonstration projects identified in the Intermodal Surface  
2 Transportation Efficiency Act of 1991.

3 (2) Not to exceed fifty million dollars to temporarily pay the  
4 regular federal share of construction in advance of federal-aid  
5 apportionments as authorized by this section.

6 (3) Not to exceed twenty-five million dollars for loans to local  
7 governments to provide the required matching funds to take advantage of  
8 available federal funds. These loans shall be on such terms and  
9 conditions as determined by the (~~Washington state~~) secretary of the  
10 department of transportation (~~commission~~), but in no event may the  
11 loans be for a period of more than ten years. The interest rate on the  
12 loans authorized under this subsection shall be equal to the interest  
13 rate on the bonds sold for such purposes.

14 **Sec. 63.** RCW 47.10.820 and 1993 c 432 s 2 are each amended to read  
15 as follows:

16 Upon the request of the secretary of the department of  
17 transportation (~~commission~~), the state finance committee shall  
18 supervise and provide for the issuance, sale, and retirement of the  
19 bonds authorized by RCW 47.10.819 through 47.10.824 in accordance with  
20 chapter 39.42 RCW. Bonds authorized by RCW 47.10.819 through 47.10.824  
21 shall be sold in such manner, at such time or times, in such amounts,  
22 and at such price as the state finance committee shall determine. No  
23 such bonds may be offered for sale without prior legislative  
24 appropriation of the net proceeds of the sale of the bonds.

25 The state finance committee shall consider the issuance of short-  
26 term obligations in lieu of long-term obligations for the purposes of  
27 more favorable interest rates, lower total interest costs, and  
28 increased marketability and for the purpose of retiring the bonds  
29 during the life of the project for which they were issued.

30 **Sec. 64.** RCW 47.02.120 and 1990 c 293 s 1 are each amended to read  
31 as follows:

32 For the purpose of providing funds for the acquisition of  
33 headquarters facilities for district 1 of the department of  
34 transportation and costs incidental thereto, together with all  
35 improvements and equipment required to make the facilities suitable for  
36 the department's use, there shall be issued and sold upon the request

1 of the (~~Washington transportation commission~~) secretary of the  
2 department of transportation a total of fifteen million dollars of  
3 general obligation bonds of the state of Washington.

4 **Sec. 65.** RCW 47.02.140 and 1990 c 293 s 3 are each amended to read  
5 as follows:

6 Upon the request of the secretary of the department of  
7 transportation (~~commission~~), the state finance committee shall  
8 supervise and provide for the issuance, sale, and retirement of the  
9 bonds authorized by RCW 47.02.120 through 47.02.190 in accordance with  
10 chapter 39.42 RCW. Bonds authorized by RCW 47.02.120 through 47.02.190  
11 shall be sold in such manner, at such time or times, in such amounts,  
12 and at such price as the state finance committee shall determine.  
13 Except for the purpose of repaying the loan from the motor vehicle  
14 fund, no such bonds may be offered for sale without prior legislative  
15 appropriation of the net proceeds of the sale of the bonds.

16 The state finance committee shall consider the issuance of short-  
17 term obligations in lieu of long-term obligations for the purposes of  
18 more favorable interest rates, lower total interest costs, and  
19 increased marketability and for the purpose of retiring the bonds  
20 during the life of the project for which they were issued.

21 **Sec. 66.** RCW 46.68.290 and 2005 c 314 s 104 are each amended to  
22 read as follows:

23 (~~(1)~~) The transportation partnership account is hereby created in  
24 the state treasury. All distributions to the account from RCW  
25 46.68.090 must be deposited into the account. Money in the account may  
26 be spent only after appropriation. Expenditures from the account must  
27 be used only for projects or improvements identified as 2005  
28 transportation partnership projects or improvements in the omnibus  
29 transportation appropriations act, including any principal and interest  
30 on bonds authorized for the projects or improvements.

31 (~~(2)~~) ~~If a regional transportation plan has not been adopted by~~  
32 ~~January 2007, the legislature intends to reprioritize allocation of~~  
33 ~~funding for the projects identified on the 2005 transportation~~  
34 ~~partnership project list so that complete and functioning~~  
35 ~~transportation projects can be constructed in a reasonable time.~~

1       ~~(3) By January 1, 2006, the transportation performance audit board~~  
2 ~~must develop performance measures and benchmarks for the evaluation of~~  
3 ~~the expenditures of the transportation partnership account. The board~~  
4 ~~must also develop an audit plan and schedule for audits of the~~  
5 ~~performance of the department of transportation's delivery of the plan~~  
6 ~~as defined by project list, schedule, and budget enacted by the~~  
7 ~~legislature.~~

8       ~~(4) The legislature finds that:~~

9       ~~(a) Citizens demand and deserve accountability of transportation-~~  
10 ~~related programs and expenditures. Transportation related programs~~  
11 ~~must continuously improve in quality, efficiency, and effectiveness in~~  
12 ~~order to increase public trust;~~

13       ~~(b) Transportation related agencies that receive tax dollars must~~  
14 ~~continuously improve the way they operate and deliver services so~~  
15 ~~citizens receive maximum value for their tax dollars; and~~

16       ~~(c) Fair, independent, comprehensive performance audits of~~  
17 ~~transportation related agencies overseen by the elected state auditor~~  
18 ~~are essential to improving the efficiency, economy, and effectiveness~~  
19 ~~of the state's transportation system.~~

20       ~~(5) For purposes of chapter 314, Laws of 2005:~~

21       ~~(a) "Performance audit" means an objective and systematic~~  
22 ~~assessment of a state agency or agencies or any of their programs,~~  
23 ~~functions, or activities by the state auditor or designee in order to~~  
24 ~~help improve agency efficiency, effectiveness, and accountability.~~  
25 ~~Performance audits include economy and efficiency audits and program~~  
26 ~~audits.~~

27       ~~(b) "Transportation related agency" means any state agency, board,~~  
28 ~~or commission that receives funding primarily for transportation-~~  
29 ~~related purposes. At a minimum, the department of transportation, the~~  
30 ~~transportation improvement board or its successor entity, the county~~  
31 ~~road administration board or its successor entity, and the traffic~~  
32 ~~safety commission are considered transportation related agencies. The~~  
33 ~~Washington state patrol and the department of licensing shall not be~~  
34 ~~considered transportation related agencies under chapter 314, Laws of~~  
35 ~~2005.~~

36       ~~(6) Within the authorities and duties under chapter 43.09 RCW, the~~  
37 ~~state auditor shall establish criteria and protocols for performance~~  
38 ~~audits. Transportation related agencies shall be audited using~~

1 criteria that include generally accepted government auditing standards  
2 as well as legislative mandates and performance objectives established  
3 by state agencies. Mandates include, but are not limited to, agency  
4 strategies, timelines, program objectives, and mission and goals as  
5 required in RCW 43.88.090.

6 ~~(7) Within the authorities and duties under chapter 43.09 RCW, the~~  
7 ~~state auditor may conduct performance audits for transportation-related~~  
8 ~~agencies. The state auditor shall contract with private firms to~~  
9 ~~conduct the performance audits.~~

10 ~~(8) The audits may include:~~

11 ~~(a) Identification of programs and services that can be eliminated,~~  
12 ~~reduced, consolidated, or enhanced;~~

13 ~~(b) Identification of funding sources to the transportation-related~~  
14 ~~agency, to programs, and to services that can be eliminated, reduced,~~  
15 ~~consolidated, or enhanced;~~

16 ~~(c) Analysis of gaps and overlaps in programs and services and~~  
17 ~~recommendations for improving, dropping, blending, or separating~~  
18 ~~functions to correct gaps or overlaps;~~

19 ~~(d) Analysis and recommendations for pooling information technology~~  
20 ~~systems used within the transportation-related agency, and evaluation~~  
21 ~~of information processing and telecommunications policy, organization,~~  
22 ~~and management;~~

23 ~~(e) Analysis of the roles and functions of the transportation-~~  
24 ~~related agency, its programs, and its services and their compliance~~  
25 ~~with statutory authority and recommendations for eliminating or~~  
26 ~~changing those roles and functions and ensuring compliance with~~  
27 ~~statutory authority;~~

28 ~~(f) Recommendations for eliminating or changing statutes, rules,~~  
29 ~~and policy directives as may be necessary to ensure that the~~  
30 ~~transportation-related agency carry out reasonably and properly those~~  
31 ~~functions vested in the agency by statute;~~

32 ~~(g) Verification of the reliability and validity of transportation-~~  
33 ~~related agency performance data, self-assessments, and performance~~  
34 ~~measurement systems as required under RCW 43.88.090;~~

35 ~~(h) Identification of potential cost savings in the transportation-~~  
36 ~~related agency, its programs, and its services;~~

37 ~~(i) Identification and recognition of best practices;~~

1       ~~(j) Evaluation of planning, budgeting, and program evaluation~~  
2 ~~policies and practices;~~

3       ~~(k) Evaluation of personnel systems operation and management;~~

4       ~~(l) Evaluation of purchasing operations and management policies and~~  
5 ~~practices;~~

6       ~~(m) Evaluation of organizational structure and staffing levels,~~  
7 ~~particularly in terms of the ratio of managers and supervisors to~~  
8 ~~nonmanagement personnel; and~~

9       ~~(n) Evaluation of transportation-related project costs, including~~  
10 ~~but not limited to environmental mitigation, competitive bidding~~  
11 ~~practices, permitting processes, and capital project management.~~

12       ~~(9) Within the authorities and duties under chapter 43.09 RCW, the~~  
13 ~~state auditor must provide the preliminary performance audit reports to~~  
14 ~~the audited state agency for comment. The auditor also may seek input~~  
15 ~~on the preliminary report from other appropriate officials. Comments~~  
16 ~~must be received within thirty days after receipt of the preliminary~~  
17 ~~performance audit report unless a different time period is approved by~~  
18 ~~the state auditor. The final performance audit report shall include~~  
19 ~~the objectives, scope, and methodology; the audit results, including~~  
20 ~~findings and recommendations; the agency's response and conclusions;~~  
21 ~~and identification of best practices.~~

22       ~~(10) The state auditor shall provide final performance audit~~  
23 ~~reports to the citizens of Washington, the governor, the joint~~  
24 ~~legislative audit and review committee, the transportation performance~~  
25 ~~audit board, the appropriate legislative committees, and other~~  
26 ~~appropriate officials. Final performance audit reports shall be posted~~  
27 ~~on the internet.~~

28       ~~(11) The audited transportation-related agency is responsible for~~  
29 ~~follow-up and corrective action on all performance audit findings and~~  
30 ~~recommendations. The audited agency's plan for addressing each audit~~  
31 ~~finding and recommendation shall be included in the final audit report.~~  
32 ~~The plan shall provide the name of the contact person responsible for~~  
33 ~~each action, the action planned, and the anticipated completion date.~~  
34 ~~If the audited agency does not agree with the audit findings and~~  
35 ~~recommendations or believes action is not required, then the action~~  
36 ~~plan shall include an explanation and specific reasons.~~

37       ~~The office of financial management shall require periodic progress~~  
38 ~~reports from the audited agency until all resolution has occurred. The~~

1 office of financial management is responsible for achieving audit  
2 resolution. The office of financial management shall annually report  
3 by December 31st the status of performance audit resolution to the  
4 appropriate legislative committees and the state auditor. The  
5 legislature shall consider the performance audit results in connection  
6 with the state budget process.

7 The auditor may request status reports on specific audits or  
8 findings.

9 (12) For the period from July 1, 2005, until June 30, 2007, the  
10 amount of \$4,000,000 is appropriated from the transportation  
11 partnership account to the state auditors office for the purposes of  
12 subsections (4) through (11) of this section.

13 (13) When appointing the citizen members with performance  
14 measurement expertise to the transportation performance audit board,  
15 the governor shall appoint the state auditor, or his or her designee.

16 (14) If the state auditor's financial audit of a transportation-  
17 related agency implies that a performance audit is warranted, the  
18 transportation performance audit board shall include in its annual work  
19 plan the performance audit recommended by the state auditor.))

20 NEW SECTION. **Sec. 67.** The sum of four hundred fifty thousand  
21 dollars, or as much thereof as may be necessary, is appropriated for  
22 the fiscal year ending June 30, 2007, from the multimodal  
23 transportation account to the office of financial management for the  
24 purposes of this act.

25 NEW SECTION. **Sec. 68.** The following acts or parts of acts are  
26 each repealed:

- 27 (1) RCW 44.75.010 (Intent) and 2003 c 362 s 1;  
28 (2) RCW 44.75.020 (Definitions) and 2005 c 319 s 16 & 2003 c 362 s  
29 2;  
30 (3) RCW 44.75.030 (Board created--Membership) and 2005 c 319 s 17  
31 & 2003 c 362 s 3;  
32 (4) RCW 44.75.040 (Procedures, compensation, support) and 2005 c  
33 319 s 18 & 2003 c 362 s 4;  
34 (5) RCW 44.75.050 (Reviews of transportation-related agencies) and  
35 2005 c 319 s 19 & 2003 c 362 s 5;  
36 (6) RCW 44.75.060 (Review methodology) and 2003 c 362 s 6;



- 1 (7) RCW 44.75.070 (Scope of reviews) and 2003 c 362 s 7;  
2 (8) RCW 44.75.080 (Direction of audit) and 2005 c 319 s 20 & 2003  
3 c 362 s 8;  
4 (9) RCW 44.75.090 (Professional experts) and 2005 c 319 s 21 & 2003  
5 c 362 s 9;  
6 (10) RCW 44.75.100 (Audit reports) and 2005 c 319 s 22 & 2003 c 362  
7 s 10;  
8 (11) RCW 44.75.110 (Scope of audit) and 2005 c 319 s 23 & 2003 c  
9 362 s 11;  
10 (12) RCW 44.75.120 (Contents of report) and 2005 c 319 s 24 & 2003  
11 c 362 s 12;  
12 (13) RCW 44.75.800 (Department of transportation audit) and 2003 c  
13 362 s 15;  
14 (14) RCW 44.75.900 (Captions--2003 c 362) and 2003 c 362 s 18;  
15 (15) RCW 44.75.901 (Effective date--2003 c 362) and 2003 c 362 s  
16 19;  
17 (16) RCW 47.01.012 (Intent--2002 c 5) and 2002 c 5 s 101; and  
18 (17) RCW 47.01.330 (Office of transit mobility) and 2005 c 318 s 2.

19 NEW SECTION. **Sec. 69.** This act takes effect July 1, 2006.

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