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**SUBSTITUTE HOUSE BILL 1482**

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**State of Washington                      60th Legislature                      2007 Regular Session**

**By** House Committee on Transportation (originally sponsored by Representatives Takko, Flannigan, Springer and Hailey; by request of Transportation Improvement Board)

READ FIRST TIME 02/19/07.

1            AN ACT Relating to retaining the distribution of city hardship  
2 assistance program funds to cities and towns for street maintenance;  
3 amending RCW 47.26.080, 47.26.164, and 47.26.340; and reenacting and  
4 amending RCW 46.68.110.

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

6            **Sec. 1.** RCW 46.68.110 and 2005 c 314 s 106 and 2005 c 89 s 1 are  
7 each reenacted and amended to read as follows:

8            Funds credited to the incorporated cities and towns of the state as  
9 set forth in RCW 46.68.090 shall be subject to deduction and  
10 distribution as follows:

11            (1) One and one-half percent of such sums distributed under RCW  
12 46.68.090 shall be deducted monthly as such sums are credited and set  
13 aside for the use of the department of transportation for the  
14 supervision of work and expenditures of such incorporated cities and  
15 towns on the city and town streets thereof, including the supervision  
16 and administration of federal-aid programs for which the department of  
17 transportation has responsibility: PROVIDED, That any moneys so  
18 retained and not expended shall be credited in the succeeding biennium

1 to the incorporated cities and towns in proportion to deductions herein  
2 made;

3 (2) Thirty-three one-hundredths of one percent of such funds  
4 distributed under RCW 46.68.090 shall be deducted monthly, as such  
5 funds accrue, and set aside for the use of the department of  
6 transportation for the purpose of funding the cities' share of the  
7 costs of highway jurisdiction studies and other studies. Any funds so  
8 retained and not expended shall be credited in the succeeding biennium  
9 to the cities in proportion to the deductions made;

10 (3) One percent of such funds distributed under RCW 46.68.090 shall  
11 be deducted monthly, as such funds accrue, to be deposited in the  
12 (~~urban arterial trust~~) small city pavement and sidewalk account, to  
13 implement the city hardship assistance program, as provided in RCW  
14 47.26.164. However, any moneys so retained and not required to carry  
15 out the program under this subsection as of July 1st of each odd-  
16 numbered year thereafter, shall be (~~provided within sixty days to the~~  
17 ~~treasurer and distributed in the manner prescribed in subsection (4) of~~  
18 ~~this section~~;

19 (~~4) After making the deductions under subsections (1) through (3)~~  
20 ~~of this section and RCW 35.76.050, the balance remaining to the credit~~  
21 ~~of incorporated cities and towns after such deduction shall be~~  
22 ~~apportioned monthly as such funds accrue among the several cities and~~  
23 ~~towns within the state ratably on the basis of the population last~~  
24 ~~determined by the office of financial management)) retained in the~~  
25 ~~account and used for maintenance, repair, and resurfacing of city and~~  
26 ~~town streets for cities and towns with a population of less than five~~  
27 ~~thousand.~~

28 **Sec. 2.** RCW 47.26.080 and 1999 c 94 s 16 are each amended to read  
29 as follows:

30 There is hereby created in the motor vehicle fund the urban  
31 arterial trust account. The intent of the urban arterial trust account  
32 program is to improve the arterial street system of the state by  
33 improving mobility and safety while supporting an environment essential  
34 to the quality of life of the citizens of the state of Washington. The  
35 (~~city hardship assistance program, as provided in RCW 47.26.164, and~~  
36 ~~the)) small city program, as provided for in RCW 47.26.115, ((are)) is  
37 implemented within the urban arterial trust account.~~

1 The board shall not allocate funds, nor make payments of the funds  
2 under RCW 47.26.260, to any county, city, or town identified by the  
3 governor under RCW 36.70A.340.

4 **Sec. 3.** RCW 47.26.164 and 1999 c 94 s 20 are each amended to read  
5 as follows:

6 The board shall adopt reasonable rules necessary to implement the  
7 city hardship assistance program as recommended by the road  
8 jurisdiction study.

9 The following criteria shall be used to implement the program:

10 (1) ~~((Only those))~~ Cities with a population of twenty thousand or  
11 less and a net gain in cost responsibility due to jurisdictional  
12 transfers in chapter 342, Laws of 1991, ((as determined by the board,  
13 may participate)) and thereafter under RCW 47.26.167, are eligible to  
14 receive money from the small city pavement and sidewalk account created  
15 in RCW 47.26.340;

16 (2) ~~((Cities with populations of fifteen thousand or less, as~~  
17 ~~determined by the office of financial management, may participate;~~

18 ~~(3))~~ The board shall develop criteria and procedures under which  
19 eligible cities may ~~((request))~~ receive funding for rehabilitation  
20 projects on transferred city streets ~~((acquired under chapter 342, Laws~~  
21 ~~of 1991)); and~~

22 ~~((4) The board shall also be authorized to allocate funds from the~~  
23 ~~city hardship assistance program to cities with a population under~~  
24 ~~twenty thousand to offset extraordinary costs associated with the~~  
25 ~~transfer of roadways other than pursuant to chapter 342, Laws of 1991,~~  
26 ~~that occur after January 1, 1991.))~~

27 (3) The amount spent for the city hardship assistance program shall  
28 not exceed the amount deposited under RCW 46.68.110(3).

29 **Sec. 4.** RCW 47.26.340 and 2005 c 83 s 2 are each amended to read  
30 as follows:

31 The small city pavement and sidewalk account is created in the  
32 state treasury. All state money allocated to the small city pavement  
33 and sidewalk account for the ongoing support of cities and towns must  
34 be deposited into the account. Money in the account may be spent only  
35 after appropriation. Expenditures from the account must be used for  
36 small city pavement and sidewalk projects or improvements selected by

1 the board in accordance with RCW 47.26.164 or 47.26.345, to pay  
2 principal and interest on bonds authorized for these projects or  
3 improvements, to make grants or loans in accordance with this chapter,  
4 or to pay for engineering feasibility studies selected by the board.

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