
SUBSTITUTE HOUSE BILL 1304

State of Washington

67th Legislature

2021 Regular Session

By House Local Government (originally sponsored by Representatives Hackney, Berry, Fitzgibbon, Chopp, Macri, Bergquist, and Pollet)

READ FIRST TIME 02/15/21.

1 AN ACT Relating to grade-separated transportation; amending RCW
2 35.95A.010, 35.95A.020, 35.95A.030, 35.95A.050, 35.95A.060,
3 35.95A.070, 35.95A.080, 35.95A.110, 35.95A.120, and 35.95A.140; and
4 adding new sections to chapter 35.95A RCW.

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

6 **Sec. 1.** RCW 35.95A.010 and 2002 c 248 s 1 are each amended to
7 read as follows:

8 The definitions in this section apply throughout this chapter
9 unless the context clearly requires otherwise.

10 (1) "Affordable housing" means long-term housing for persons,
11 families, or unrelated persons living together whose adjusted income
12 is at or below 60 percent of the median income, adjusted for
13 household size, for the county where the housing is located.

14 (2) "Authority" means a city transportation authority created
15 pursuant to chapter 248, Laws of 2002.

16 ((+2)) (3) "Authority area" means the territory within a city as
17 designated in the ordinance creating the authority.

18 ((+3)) (4) "Bonds" means bonds, notes, or other evidences of
19 indebtedness.

20 ((+4)) (5) "Low-income" means household income set by the
21 authority creating the rebate program that is at or below 75 percent

1 of the median household income, adjusted for household size, for the
2 authority in which the taxes or fees were imposed.

3 (6) "Public (~~monorail~~) grade-separated transportation function"
4 means the transportation of passengers and their incidental baggage
5 by means of public (~~monorail~~) grade-separated transportation
6 facilities as authorized in this chapter.

7 (~~(5)~~) (7) "Public (~~monorail~~) grade-separated transportation
8 facilities" means a (~~transportation system~~) light, heavy, or rapid
9 rail facility, monorail, inclined plane, funicular, trolley, or other
10 fixed rail guideway component of a transportation system operating
11 principally on exclusive rights-of-way that is not regulated by the
12 federal railroad administration or its successor that utilizes train
13 cars running on a guideway, together with the necessary passenger
14 stations, terminals, parking facilities, related facilities, any
15 lands, interest in land, or air rights over lands, or other
16 properties, and facilities necessary and appropriate for passenger
17 and vehicular access to and from people-moving systems(~~, not~~
18 including fixed guideway light rail systems)). "Public grade-
19 separated transportation facilities" does not mean elevators, moving
20 sidewalks or stairs, and/or vehicles suspended from aerial cables,
21 unless they are an integral component of a station served by public
22 grade-separated transportation facilities; nor does it include
23 facilities that are not public transportation, such as tourist
24 services that are only accessible via private property, or other
25 services not accessible to the general public.

26 (~~(6)~~) (8) "Qualified elector" means any person registered to
27 vote within the city boundaries.

28 (9) "Qualified entity" means a local government, housing
29 authority, or nonprofit developer.

30 (10) "Rebate program" means an optional program established by a
31 city transportation authority that includes a city with a population
32 of 500,000 persons or more for the purpose of providing rebates to
33 low-income individuals for taxes and/or fees imposed by such city
34 transportation authority for: (a) Special excise taxes imposed under
35 RCW 35.95A.080; and/or (b) vehicle license fees imposed under RCW
36 35.95A.090.

37 (11) "Transit-dependent" means a person that does not have
38 personal transportation, no access to such transportation, or is
39 unable to drive.

1 **Sec. 2.** RCW 35.95A.020 and 2002 c 248 s 2 are each amended to
2 read as follows:

3 (1) A city transportation authority to perform a public
4 (~~(monorail)~~) grade-separated transportation function may be created
5 in every city with a population greater than (~~(three hundred~~
6 ~~thousand)~~) 500,000 to perform a public (~~(monorail)~~) grade-separated
7 transportation function. The authority shall embrace all the
8 territory in the authority area. A city transportation authority is a
9 municipal corporation, an independent taxing "authority" within the
10 meaning of Article 7, section 1 of the state Constitution, and a
11 "taxing district" within the meaning of Article 7, section 2 of the
12 state Constitution.

13 (2) Any city transportation authority and proposed taxes
14 established pursuant to this chapter, either by ordinance or petition
15 as provided in this chapter, must be approved by a majority vote of
16 the electors residing within the proposed authority area voting at a
17 regular or special election.

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

20 (1) A city that undertakes to propose creation of an authority
21 must propose the authority by ordinance of the city legislative body.
22 The ordinance must:

23 (a) ~~Propose the authority area ((and the size and method of~~
24 ~~selection of the governing body of the authority, which governing~~
25 ~~body may be appointed or elected, provided that officers or employees~~
26 ~~of any single city government body may not compose a majority of the~~
27 ~~members of the authority's governing body)), which authority area may~~
28 encompass the entire city or a portion thereof;

29 (b) Propose whether all or a specified portion of the public
30 (~~(monorail)~~) grade-separated transportation function will be
31 exercised by the authority; and

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

34 ~~(d) Provide for an interim governing body of the authority which~~
35 ~~will govern the authority upon voter approval of formation of the~~
36 ~~authority, until a permanent governing body is selected, but in no~~
37 ~~event longer than fourteen months)).~~

38 (2) An authority may also be proposed to be created by a petition
39 setting forth the matters described in subsection (1) of this

1 section, and signed by one percent of the qualified electors of the
2 proposed authority area.

3 (3) Upon approval by the qualified electors of the formation of
4 the city transportation authority and any proposed taxes, either by
5 ordinance or by petition as provided in this chapter, the governing
6 body of an authority(~~(, or interim governing body, as applicable,)~~)
7 will adopt bylaws determining, among other things, the authority's
8 officers and the method of their selection, and other matters the
9 governing body deems appropriate.

10 (4) Members of the legislative body governing the city in which
11 the authority is proposed to be established, acting ex officio and
12 independently, shall constitute the governing body of the authority.

13 **Sec. 4.** RCW 35.95A.050 and 2020 c 274 s 16 are each amended to
14 read as follows:

15 Every authority has the following powers:

16 (1) To acquire by purchase, condemnation, gift, or grant and to
17 lease, construct, add to, improve, replace, repair, maintain,
18 operate, and regulate the use of public (~~(monorail)~~) grade-separated
19 transportation facilities, including passenger terminal and parking
20 facilities and properties, and other facilities and properties as may
21 be necessary for passenger and vehicular access to and from public
22 (~~(monorail)~~) grade-separated transportation facilities, together with
23 all lands, rights-of-way, and property within or outside the
24 authority area, and together with equipment and accessories necessary
25 or appropriate for these facilities, except that property, including
26 but not limited to other types of public transportation facilities,
27 that is owned by any city, county, county transportation authority,
28 public transportation benefit area, metropolitan municipal
29 corporation, or regional transit authority may be acquired or used by
30 an authority only with the consent of the public entity owning the
31 property. The entities are authorized to convey or lease property to
32 an authority or to contract for their joint use on terms fixed by
33 agreement between the entity and the authority;

34 (2) To fix rates, tolls, fares, and charges for the use of
35 facilities and to establish various routes and classes of service.
36 Rates, tolls, fares, or charges may be adjusted or eliminated for any
37 distinguishable class of users including, but not limited to, senior
38 citizens and persons with disabilities;

1 (3) To contract with the United States or any of its agencies,
2 any state or any of its agencies, any public transportation benefit
3 district, county transportation authority, regional transit
4 authority, any metropolitan municipal corporation, and other country,
5 city, other political subdivision or governmental instrumentality, or
6 governmental agency, or any private person, firm, or corporation for
7 ((the)): (a) The purpose of receiving any gifts or grants or securing
8 loans or advances for preliminary planning and feasibility studies((
9 or for)); (b) the design, construction, operation, or maintenance of
10 public ((monorail)) grade-separated transportation facilities ((as
11 follows:

12 ~~(a) Notwithstanding the provisions of any law to the contrary,~~
13 ~~and in addition to any other authority provided by law, the governing~~
14 ~~body of a city transportation authority may contract with one or more~~
15 ~~vendors for the design, construction, operation, or maintenance, or~~
16 ~~other service related to the development of a monorail public~~
17 ~~transportation system including, but not limited to, monorail trains,~~
18 ~~operating systems and control equipment, guideways, and pylons,~~
19 ~~together with the necessary passenger stations, terminals, parking~~
20 ~~facilities, and other related facilities necessary and appropriate~~
21 ~~for passenger and vehicular access to and from the monorail train.~~

22 ~~(b) If the governing body of the city transportation authority~~
23 ~~decides to proceed with the consideration of qualifications or~~
24 ~~proposals for services from qualified vendors, the authority must~~
25 ~~publish notice of its requirements and request submission of~~
26 ~~qualifications statements or proposals. The notice must be published~~
27 ~~in the official newspaper of the city creating the authority at least~~
28 ~~once a week for two weeks, not less than sixty days before the final~~
29 ~~date for the submission of qualifications statements or proposals.~~
30 ~~The notice must state in summary form: (i) The general scope and~~
31 ~~nature of the design, construction, operation, maintenance, or other~~
32 ~~services being sought related to the development of the proposed~~
33 ~~monorail, tram, or trolley public transportation system; (ii) the~~
34 ~~name and address of a representative of the city transportation~~
35 ~~authority who can provide further details; (iii) the final date for~~
36 ~~the submission of qualifications statements or proposals; (iv) an~~
37 ~~estimated schedule for the consideration of qualifications statements~~
38 ~~or proposals, the selection of vendors, and the negotiation of a~~
39 ~~contract or contracts for services; (v) the location of which a copy~~
40 ~~of any requests for qualifications statements or requests for~~

1 proposals will be made available; and (vi) the criteria established
2 by the governing body of the authority to select a vendor or vendors,
3 which may include, but is not limited to, the vendor's prior
4 experience, including design, construction, operation, or maintenance
5 of other similar public transportation facilities, respondent's
6 management capabilities, proposed project schedule, availability and
7 financial resources, costs of the services to be provided, nature of
8 facility design proposed by the vendors, system reliability,
9 performance standards required for the facilities, compatibility with
10 existing public transportation facilities operated by the authority
11 or any other public body or other providers of similar services to
12 the public, project performance guarantees, penalties, and other
13 enforcement provisions, environmental protection measures to be used
14 by the vendor, consistency with the applicable regional
15 transportation plans, and the proposed allocation of project risks.

16 (c) If the governing body of the city transportation authority
17 decides to proceed with the consideration of qualifications
18 statements or proposals submitted by vendors, it may designate a
19 representative to evaluate the vendors who submitted qualifications
20 statements or proposals and conduct discussions regarding
21 qualifications or proposals with one or more vendors. The governing
22 body or its representative may request submission of qualifications
23 statements and may later request more detailed proposals from one or
24 more vendors who have submitted qualifications statements, or may
25 request detailed proposals without having first received and
26 evaluated qualifications statements. The governing body or its
27 representative will evaluate the qualifications or proposals, as
28 applicable. If two or more vendors submit qualifications or proposals
29 that meet the criteria established by the governing body of the
30 authority, discussions and interviews must be held with at least two
31 vendors. Any revisions to a request for qualifications or request for
32 proposals must be made available to all vendors then under
33 consideration by the governing body of the authority and must be made
34 available to any other person who has requested receipt of that
35 information.

36 (d) Based on the criteria established by the governing body of
37 the authority, the representative will recommend to the governing
38 body a vendor or vendors that are initially determined to be the best
39 qualified to provide one or more of the design, construction,

1 operation or maintenance, or other service related to the development
2 of the proposed monorail public transportation system.

3 (e) The governing body of the authority or its representative may
4 attempt to negotiate a contract with the vendor or vendors selected
5 for one or more of the design, construction, operation or
6 maintenance, or other service related to the development of the
7 proposed monorail public transportation system on terms that the
8 governing body of the authority determines to be fair and reasonable
9 and in the best interest of the authority. If the governing body, or
10 its representative, is unable to negotiate a contract with any one or
11 more of the vendors first selected on terms that it determines to be
12 fair and reasonable and in the best interest of the authority,
13 negotiations with any one or more of the vendors must be terminated
14 or suspended and another qualified vendor or vendors may be selected
15 in accordance with the procedures set forth in this section. If the
16 governing body decides to continue the process of selection,
17 negotiations will continue with a qualified vendor or vendors in
18 accordance with this section at the sole discretion of the governing
19 body of the authority until an agreement is reached with one or more
20 qualified vendors, or the process is terminated by the governing
21 body. The process may be repeated until an agreement is reached.

22 (f) Prior to entering into a contract with a vendor, the
23 governing body of the authority must make written findings, after
24 holding a public hearing on the proposal, that it is in the public
25 interest to enter into the contract, that the contract is financially
26 sound, and that it is advantageous for the governing body of the
27 authority to use this method for awarding contracts for one or more
28 of the design, construction, or operation or maintenance of the
29 proposed monorail public transportation system as compared to all
30 other methods of awarding such contracts.

31 (g) Each contract must include a project performance bond or
32 bonds or other security by the vendor.

33 (h) The provisions of chapters 39.12 and 39.19 RCW apply to a
34 contract entered into under this section as if the public
35 transportation systems and facilities were owned by a public body.

36 (i) The vendor selection process permitted by this section is
37 supplemental to and is not construed as a repeal of or limitation on
38 any other authority granted by law.

39 (j) Contracts for the construction of facilities, other than
40 contracts for facilities to be provided by the selected vendor, with

1 ~~an estimated cost greater than two hundred thousand dollars must be~~
2 ~~awarded after a competitive bid process consistent with chapter 39.04~~
3 ~~RCW or awarded through an alternative public works contracting~~
4 ~~procedure consistent with chapter 39.10 RCW)); or (c) the provision~~
5 or receipt of services, facilities, or property rights to provide
6 revenues for the system. An authority shall have the power to
7 contract pursuant to RCW 39.33.050. Before any contract is entered
8 with any private person, firm, or corporation, competitive bids shall
9 first be called upon such notice, bidder qualifications, and bid
10 conditions as the board shall determine. This shall allow use of
11 negotiated procurements. For the avoidance of doubt, the provisions
12 of chapters 39.12 and 39.19 RCW apply to a contract entered into
13 under this section as if the public transportation systems and
14 facilities were owned by a public body regardless of the use of a
15 negotiated procurement method;

16 (4) To contract with the United States or any of its agencies,
17 any state or any of its agencies, any metropolitan municipal
18 corporation, any other county, city, regional transit authority,
19 other political subdivision or governmental instrumentality, any
20 governmental agency, or any private person, firm, or corporation for
21 the use by either contracting party of all or any part of the
22 facilities, structures, lands, interests in lands, air rights over
23 lands, and rights-of-way of all kinds which are owned, leased, or
24 held by the other party (~~and~~); or for the purpose of planning,
25 designing, constructing, operating any public transportation
26 facility, or performing any service related to transportation which
27 the authority is authorized to operate or perform, on terms as may be
28 agreed upon by the contracting parties;

29 (5) To acquire any existing public transportation facility by
30 conveyance, sale, or lease. In any acquisition from a county, city,
31 regional transit authority, or other political subdivision of the
32 state, the authority will receive credit from the county or city or
33 regional transit authority or other political subdivision for any
34 federal assistance and state matching assistance used by the county
35 or city or regional transit authority or other political subdivision
36 in acquiring any portion of the public transportation facility. Upon
37 acquisition, the authority must assume and observe all existing labor
38 contracts relating to the public transportation facility and, to the
39 extent necessary for operation of the public transportation facility,
40 all of the employees of the public transportation facility whose

1 duties are necessary to efficiently operate the public transportation
2 facility must be appointed to comparable positions to those which
3 they held at the time of the transfer, and no employee or retired or
4 pensioned employee of the public transportation facility will be
5 placed in any worse position with respect to pension seniority,
6 wages, sick leave, vacation, or other benefits than he or she enjoyed
7 as an employee of the public transportation facility prior to the
8 acquisition. Furthermore, the authority must engage in collective
9 bargaining with the duly appointed representatives of any employee
10 labor organization having existing contracts with the acquired
11 facility and may enter into labor contracts with the employee labor
12 organization;

13 (6) To ~~((contract for, participate in, and support research,~~
14 ~~demonstration, testing, and development of public monorail~~
15 ~~transportation facilities, equipment, and use incentives, and have~~
16 ~~all powers necessary to comply with any criteria, standards, and~~
17 ~~regulations which may be adopted under state and federal law, and to~~
18 ~~take all actions necessary to meet the requirements of those laws.~~
19 ~~The authority has, in addition to these powers, the authority to))~~
20 prepare, adopt, and carry out a comprehensive public ~~((monorail))~~
21 grade-separated system plan and financing plan and to make other
22 plans and studies and to perform programs as the authority deems
23 necessary to implement and comply with those laws. To the extent that
24 new public grade-separated transportation corridors are planned,
25 financing and system plans shall take into account (a) 30-year
26 projected ridership, (b) the number of income-restricted affordable
27 housing units within a 15-minute walking radius of stations, and (c)
28 the number of transit-dependent households within a 15-minute walking
29 radius of stations. On at least an annual basis throughout the
30 planning process for each corridor, the authority shall consider and
31 report the anticipated ridership, the number of income-restricted
32 affordable housing units within a 15-minute walking radius of
33 stations, and the number of transit-dependent households within a 15-
34 minute walking radius of stations for each studied alternative within
35 each corridor. The reports shall be continuously posted on the
36 authority's website from the release of reports until the dissolution
37 of the authority;

38 (7) To establish local improvement districts within the authority
39 area to finance public ~~((monorail))~~ grade-separated transportation
40 facilities, to levy special assessments on property specially

1 benefited by those facilities, and to issue local improvement bonds
2 to be repaid by the collection of local improvement assessments. The
3 method of establishment, levying, collection, enforcement, and all
4 other matters relating to the local improvement districts,
5 assessments, collection, and bonds are as provided in the statutes
6 governing local improvement districts of cities and towns. The duties
7 devolving upon the city treasurer in those statutes are imposed on
8 the treasurer of the authority;

9 (8) To exercise all other powers necessary and appropriate to
10 carry out its responsibilities, including without limitation the
11 power to sue and be sued, to own, construct, purchase, lease, add to,
12 and maintain any real and personal property or property rights
13 necessary for the conduct of the affairs of the authority, to enter
14 into contracts, and to employ the persons as the authority deems
15 appropriate. An authority may also sell, lease, convey, or otherwise
16 dispose of any real or personal property no longer necessary for the
17 conduct of the affairs of the authority;

18 (9) Notwithstanding any other provision of this chapter, to the
19 extent new public grade-separated transportation facilities are to be
20 constructed by the authority, or using the funds collected by the
21 authority, the authority may construct new public grade-separated
22 transportation facilities for operation in entirely exclusive rights-
23 of-way without grade crossings. This subsection does not limit the
24 authority from maintaining or improving existing facilities that may
25 be transferred to the authority. Public grade-separated
26 transportation facilities constructed by the authority, or using the
27 funds collected by the authority, may be constructed at surface level
28 elevation or in a retained cut. For the purposes of this subsection,
29 "grade crossings" means a place where a mode of transportation other
30 than public grade-separated transportation facilities crosses with
31 public grade-separated transportation facilities at the same
32 elevation or where the crossing of another mode of transportation may
33 hinder the movement of train cars operating in public grade-separated
34 transportation facilities;

35 (10) To use the powers provided herein to construct public grade-
36 separated transportation facilities to be designated as supplemental
37 transportation improvements for purposes of RCW 35.21.925, by the
38 city containing the authority area;

1 (11) To establish offices, departments, boards, and commissions
2 that are necessary to carry out the purposes of the authority, and to
3 prescribe the functions, powers, and duties thereof;

4 (12) To appoint or provide for the appointment of, and to remove
5 or to provide for the removal of, all officers and employees of the
6 authority;

7 (13) To fix the salaries, wages, and other compensation of all
8 officers and employees of the authority;

9 (14) To employ such engineering, legal, financial, or other
10 specialized personnel as may be necessary to accomplish the purposes
11 of the authority;

12 (15) To determine risks, hazards, and liabilities in order to
13 obtain insurance consistent with these determinations. This insurance
14 may include any types of insurance covering, and for the benefit of,
15 one or more parties with whom the authority contracts for any
16 purpose, and insurance for the benefit of its board members,
17 authority officers, and employees to insure against liability for
18 acts or omissions while performing or in good faith purporting to
19 perform their official duties. All insurance obtained for
20 construction of authority projects with a total project cost
21 exceeding \$100,000,000 may be acquired by bid or by negotiation. In
22 order to allow the authority flexibility to secure appropriate
23 insurance by negotiation, the authority is exempt from RCW 48.30.270;

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

32 **Sec. 5.** RCW 35.95A.060 and 2002 c 248 s 6 are each amended to
33 read as follows:

34 Each authority will establish necessary and appropriate funds and
35 accounts consistent with the uniform system of accounts developed
36 pursuant to RCW 43.09.210. The authority (~~may designate a treasurer~~
37 ~~or may~~) shall contract with any city with territory within the
38 authority area for treasury and other financial functions. The city
39 must be reimbursed for the expenses of treasury services. However, no

1 city whose treasurer serves as treasurer of an authority is liable
2 for the obligations of the authority.

3 **Sec. 6.** RCW 35.95A.070 and 2002 c 248 s 8 are each amended to
4 read as follows:

5 Every authority has the power to:

6 (1) Levy excess levies upon the property included within the
7 authority area, in the manner prescribed by Article VII, section 2 of
8 the state Constitution and by RCW 84.52.052 for operating funds,
9 capital outlay funds, and cumulative reserve funds;

10 (2) Issue general obligation bonds, not to exceed an amount,
11 together with any outstanding nonvoter-approved general obligation
12 indebtedness equal to one and one-half percent of the value of the
13 taxable property within the authority area, as the term "value of the
14 taxable property" is defined in RCW 39.36.015. An authority may
15 additionally issue general obligation bonds, together with
16 outstanding voter-approved and nonvoter-approved general obligation
17 indebtedness, equal to two and one-half percent of the value of the
18 taxable property within the authority area, as the term "value of the
19 taxable property" is defined in RCW 39.36.015, when the bonds are
20 approved by three-fifths of the qualified electors of the authority
21 at a general or special election called for that purpose and may
22 provide for the retirement thereof by levies in excess of dollar rate
23 limitations in accordance with the provisions of RCW 84.52.056. These
24 elections will be held as provided in RCW 39.36.050;

25 (3) Issue revenue bonds payable from any revenues other than
26 taxes levied by the authority, and to pledge those revenues for the
27 repayment of the bonds. Proceeds of revenue bonds may only be
28 expended for the costs of public (~~monorail~~) grade-separated
29 transportation facilities, for financing costs, and for capitalized
30 interest during construction plus six months thereafter. The bonds
31 and warrants will be issued and sold in accordance with chapter 39.46
32 RCW.

33 No bonds issued by an authority are obligations of any city,
34 county, or the state of Washington or any political subdivision
35 thereof other than the authority, and the bonds will so state, unless
36 the legislative authority of any city or county or the legislature
37 expressly authorizes particular bonds to be either guaranteed by or
38 obligations of its respective city or county or of the state.

1 **Sec. 7.** RCW 35.95A.080 and 2002 c 248 s 9 are each amended to
2 read as follows:

3 (1) Every authority has the power to levy and collect a special
4 excise tax (~~((not exceeding two and one-half percent))~~) on the value of
5 every motor vehicle owned by a resident of the authority area for the
6 privilege of using a motor vehicle. The special excise tax rate shall
7 not exceed half of the rate of a motor vehicle excise tax imposed by
8 a regional transit authority under RCW 81.104.160 within the
9 authority area, as determined at the time of the submission of the
10 special excise tax for approval under subsection (3) of this section.
11 Any special excise tax imposed under this section must be consistent
12 with RCW 82.44.035. Before utilization of any excise tax money
13 collected under this section for acquisition of right-of-way or
14 construction of a public (~~((monorail))~~) grade-separated transportation
15 facility on a separate right-of-way, the authority must adopt rules
16 affording the public an opportunity for (~~((corridor))~~) a public
17 hearing (~~((s and design public hearings, which provide in detail the~~
18 ~~procedures necessary for public participation in the following~~
19 ~~instances: (a) Prior to adoption of location and design plans having~~
20 ~~a substantial social, economic, or environmental effect upon the~~
21 ~~locality upon which they are to be constructed; or (b) on the public~~
22 ~~transportation facilities operating on a separate right-of-way~~
23 ~~whenever a substantial change is proposed relating to location or~~
24 ~~design in the adopted plan))~~) to include public comment. In adopting
25 such rules the authority must adhere to the provisions of the
26 administrative procedure act.

27 (2) (~~((A "corridor public hearing" is a public hearing that: (a)~~
28 ~~Is held before the authority is committed to a specific route~~
29 ~~proposal for the public transportation facility, and before a route~~
30 ~~location is established; (b) is held to afford an opportunity for~~
31 ~~participation by those interested in the determination of the need~~
32 ~~for, and the location of, the public transportation facility; and (c)~~
33 ~~provides a public forum that affords a full opportunity for~~
34 ~~presenting views on the public transportation facility route~~
35 ~~location, and the social, economic, and environmental effects on that~~
36 ~~location and alternate locations. However, the hearing is not deemed~~
37 ~~to be necessary before adoption of a transportation plan as provided~~
38 ~~in section 7 of this act or a vote of the qualified electors under~~
39 ~~subsection (5) of this section.~~

1 ~~(3) A "design public hearing" is a public hearing that: (a) Is~~
2 ~~held after the location is established but before the design is~~
3 ~~adopted; (b) is held to afford an opportunity for participation by~~
4 ~~those interested in the determination of major design features of the~~
5 ~~public monorail transportation facility; and (c) provides a public~~
6 ~~forum to afford a full opportunity for presenting views on the public~~
7 ~~transportation system design, and the social, economic, and~~
8 ~~environmental effects of that design and alternate designs, including~~
9 ~~people-mover technology.~~

10 (4)) An authority imposing a tax under subsection (1) of this
11 section may also impose a sales and use tax, in addition to any tax
12 authorized by RCW 82.14.030, upon retail car rentals within the city
13 that are taxable by the state under chapters 82.08 and 82.12 RCW. The
14 rate of tax must not exceed 1.944 percent of the base of the tax. The
15 base of the tax will be the selling price in the case of a sales tax
16 or the rental value of the vehicle used in the case of a use tax. The
17 revenue collected under this subsection will be distributed in the
18 same manner as sales and use taxes under chapter 82.14 RCW.

19 ((+5)) (3) Before any authority may impose any of the taxes
20 authorized under this section, the authorization for imposition of
21 the taxes must be approved by the qualified electors of the authority
22 area.

23 **Sec. 8.** RCW 35.95A.110 and 2002 c 248 s 12 are each amended to
24 read as follows:

25 All taxes and fees levied and collected by an authority must be
26 used solely for the purpose of paying all or any part of the cost of
27 acquiring, designing, constructing, equipping, maintaining, or
28 operating public ~~((monorail))~~ grade-separated transportation
29 facilities or contracting for the services thereof, or to pay or
30 secure the payment of all or part of the principal of or interest on
31 any general obligation bonds or revenue bonds issued for authority
32 purposes. Until expended, money accumulated in the funds and accounts
33 of an authority may be invested in the manner authorized by the
34 governing body of the authority, consistent with state law.

35 If any of the revenue from any tax or fee authorized to be levied
36 by an authority has been pledged by the authority to secure the
37 payment of any bonds as herein authorized, then as long as that
38 pledge is in effect the legislature will not withdraw from the
39 authority the authorization to levy and collect the tax or fee.

1 **Sec. 9.** RCW 35.95A.120 and 2007 c 516 s 12 are each amended to
2 read as follows:

3 (1) ~~((Except as provided in subsection (2) of this section, the~~
4 ~~city transportation authority may be dissolved by a vote of the~~
5 ~~people residing within the boundaries of the authority if the~~
6 ~~authority is faced with significant financial problems. However, the~~
7 ~~authority may covenant with holders of its bonds that it may not be~~
8 ~~dissolved and shall continue to exist solely for the purpose of~~
9 ~~continuing to levy and collect any taxes or assessments levied by it~~
10 ~~and pledged to the repayment of debt and to take other actions,~~
11 ~~including the appointment of a trustee, as necessary to allow it to~~
12 ~~repay any remaining debt. No such debt may be incurred by the~~
13 ~~authority on a project until thirty days after a final environmental~~
14 ~~impact statement on that project has been issued as required by~~
15 ~~chapter 43.21C RCW. The amount of the authority's initial bond issue~~
16 ~~is limited to the amount of the project costs in the subsequent two~~
17 ~~years as documented by a certified engineer or by submitted bids,~~
18 ~~plus any reimbursable capital expenses already incurred at the time~~
19 ~~of the bond issue. The authority may size the first bond issue~~
20 ~~consistent with the internal revenue service five-year spend down~~
21 ~~schedule if an independent financial advisor recommends such an~~
22 ~~approach is financially advisable. Any referendum petition to~~
23 ~~dissolve the city transportation authority must be filed with the~~
24 ~~city council and contain provisions for dissolution of the authority.~~
25 ~~Within seven days, the city prosecutor must review the validity of~~
26 ~~the petition and submit its report to the petitioner and city~~
27 ~~council. If the petitioner's claims are deemed valid by the city~~
28 ~~prosecutor, within ten days of the petitioner's filing, the city~~
29 ~~council will confer with the petitioner concerning the form and style~~
30 ~~of the petition, issue an identification number for the petition, and~~
31 ~~write a ballot title for the measure. The ballot title must be posed~~
32 ~~as a question and an affirmative vote on the measure results in~~
33 ~~authority retention and a negative vote on the measure results in the~~
34 ~~authority's dissolution. The petitioner will be notified of the~~
35 ~~identification number and ballot title within this ten-day period.~~

36 ~~After this notification, the petitioner has ninety days in which~~
37 ~~to secure on petition forms, the signatures of not less than fifteen~~
38 ~~percent of the registered voters in the authority area and to file~~
39 ~~the signed petitions with the filing officer. Each petition form must~~
40 ~~contain the ballot title and the full text of the measure to be~~

1 referred. The filing officer will verify the sufficiency of the
2 signatures on the petitions. If sufficient valid signatures are
3 properly submitted, the filing officer shall submit the initiative to
4 the authority area voters at a general or special election held on
5 one of the dates provided in RCW 29A.04.321 as determined by the city
6 council, which election will not take place later than one hundred
7 twenty days after the signed petition has been filed with the filing
8 officer.

9 (2) A city transportation authority is dissolved and terminated
10 if all of the following events occur before or after July 22, 2007:

11 (a) A majority of the qualified electors voting at a regular or
12 special election determine that new public monorail transportation
13 facilities must not be built;

14 (b) The governing body of the authority adopts a resolution and
15 publishes a notice of the proposed dissolution at least once every
16 week for three consecutive weeks in a newspaper of general
17 circulation published in the authority area. The resolution and
18 notice must:

19 (i) Describe information that must be included in a notice of
20 claim against the authority including, but not limited to, any claims
21 for refunds of special motor vehicle excise tax levied under RCW
22 35.95A.080 and collected by or on behalf of the authority;

23 (ii) Provide a mailing address where a notice of claim may be
24 sent;

25 (iii) State the deadline, which must be at least ninety days from
26 the date of the third publication, by which the authority must
27 receive a notice of claim; and

28 (iv) State that a claim will be barred if a notice of claim is
29 not received by the deadline;

30 (c) The authority resolves all claims timely made under (b) of
31 this subsection; and

32 (d) The governing body adopts a resolution (i) finding that the
33 conditions of (a) through (c) of this subsection have been met and
34 (ii) dissolving and terminating the authority.

35 (3) A claim against a city transportation authority is barred if
36 (a) a claimant does not deliver a notice of claim to the authority by
37 the deadline stated in subsection (2) (b) (iii) of this section or (b)
38 a claimant whose claim was rejected by the authority does not
39 commence a proceeding to enforce the claim within sixty days from
40 receipt of the rejection notice. For purposes of this subsection,

1 ~~"claim" includes, but is not limited to, any right to payment,~~
2 ~~whether liquidated, unliquidated, fixed, contingent, matured,~~
3 ~~unmatured, disputed, undisputed, legal, equitable, secured, or~~
4 ~~unsecured, or the right to an equitable remedy for breach of~~
5 ~~performance if the breach gives rise to a right to payment, whether~~
6 ~~or not the right to an equitable remedy is fixed, contingent,~~
7 ~~matured, unmatured, disputed, undisputed, secured, or unsecured,~~
8 ~~including, but not limited to, any claim for a refund of special~~
9 ~~motor vehicle excise tax levied under RCW 35.95A.080 and collected by~~
10 ~~or on behalf of the authority.~~

11 (4)) Within 30 days of the completion of the construction of the
12 public grade-separated transportation facilities or series of public
13 grade-separated transportation facilities authorized by an authority
14 area, the authority shall reduce day-to-day operations and exist
15 solely as a limited entity that:

16 (a) Oversees the collection of revenue and the payment of debt
17 service or financing still in effect, if any; and

18 (b) Carries out any ongoing requirements related to the continued
19 operation and maintenance of public grade-separated transportation
20 facilities.

21 The authority shall accordingly adjust downward its employees,
22 administration, and overhead expenses. Any taxes, fees, charges, or
23 tolls imposed by the authority be adjusted downward when the
24 financing or debt service on the public grade-separated
25 transportation facilities or series of public grade-separated
26 transportation facilities constructed is completed and paid and
27 notice is provided to the departments administering the taxes. Any
28 excess revenues collected must be disbursed to the participating
29 jurisdictions of the authority in proportion to their population,
30 using population estimates prepared by the office of financial
31 management.

32 (2) The authority shall dissolve itself and cease to exist 30
33 days after:

34 (a) The financing or debt service on the constructed public
35 grade-separated transportation facilities, or series of public grade-
36 separated transportation facilities, is completed and paid;

37 (b) The completion of construction of the public grade-separated
38 transportation facilities, or series of public grade-separated
39 transportation facilities; and

1 (c) Ongoing requirements related to the continued operation and
2 maintenance of public grade-separated transportation facilities ends.
3 If there is no debt outstanding, then the authority shall dissolve
4 within 30 days from:

5 (i) The completion of construction of the public grade-separated
6 transportation facilities, or series of public grade-separated
7 transportation facilities; and

8 (ii) Ongoing requirements related to the continued operation and
9 maintenance of public grade-separated transportation facilities end.

10 Notice of dissolution must be published in newspapers of general
11 circulation within the authority area at least three times in a
12 period of 30 days. Creditors must file claims for payment of claims
13 due within 30 days of the last published notice or the claim is
14 extinguished.

15 (3) The governing body of the authority may transfer any net
16 assets to one or more other political subdivisions with instructions
17 as to their use or disposition. The governing body shall authorize
18 this transfer ((in the)) by resolution ((that dissolves and
19 terminates the authority under subsection (2)(d) of this section)).

20 ~~((5))~~ (4) Upon the dissolution and termination of the
21 authority, the former officers, directors, employees, and agents of
22 the authority shall be immune from personal liability in connection
23 with any claims brought against them arising from or relating to
24 ((their service)) acts or omissions while performing or in good faith
25 purporting to perform their official duties to the authority, and any
26 claim brought against any of them is barred.

27 ~~((6) Upon satisfaction of the conditions set forth in subsection~~
28 ~~(2)(a) and (b) of this section, the terms of all members of the~~
29 ~~governing body of the city transportation authority, whether elected~~
30 ~~or appointed, who are serving as of the date of the adoption of the~~
31 ~~resolution described in subsection (2)(b) of this section, shall be~~
32 ~~extended, and incumbent governing body members shall remain in office~~
33 ~~until dissolution of the authority, notwithstanding any provision of~~
34 ~~any law to the contrary.))~~

35 **Sec. 10.** RCW 35.95A.140 and 2005 c 19 s 2 are each amended to
36 read as follows:

37 Each authority shall incorporate in plans for stations along any
38 ~~((monorail))~~ grade-separated project signing that is easily
39 understood by the traveling public, including, but not limited to,

1 persons with disabilities, non-English-speaking persons, and visitors
2 from other nations. The signage must employ graphics consistent with
3 international symbols for transportation facilities and signage that
4 are consistent with department of transportation guidelines and
5 programs. The signage must also use distinguishing pictograms as a
6 means to identify stations and points of interest along the
7 (~~monorail~~) grade-separated corridor for persons who use languages
8 that are not Roman-alphabet based. These requirements are intended to
9 apply to new sign installation and not to existing signs. The
10 authority may replace existing signs as it chooses; however, it shall
11 use the new signing designs when existing signs are replaced. All
12 signage must comply with requirements of applicable federal law and
13 may include recommendations contained in federal publications
14 providing directions on way-finding for persons with disabilities.

15 NEW SECTION. **Sec. 11.** A new section is added to chapter 35.95A
16 RCW to read as follows:

17 (1) An authority that imposes a special excise tax under RCW
18 35.95A.080 or a vehicle license fee under RCW 35.95A.090, may
19 establish a rebate program for the purposes of providing rebates of
20 up to 40 percent of the actual tax or fee paid by a low-income
21 individual.

22 (2) Funds collected from a special excise tax under RCW
23 35.95A.080 or a vehicle license fee under RCW 35.95A.090 may be used
24 for a rebate program established under this section.

25 (3) An authority that establishes a rebate program is responsible
26 for the development and administration of the program and all
27 functions and costs associated with the rebate program.

28 (4) An authority that establishes a rebate program under this
29 section must report back to the legislature two years after the
30 program takes effect. The report must include, but is not limited to,
31 a detailed description of the structure of the program, the average
32 rebate, the total amount of rebates issued, and the number of people
33 that received rebates.

34 NEW SECTION. **Sec. 12.** A new section is added to chapter 35.95A
35 RCW to read as follows:

36 (1) An authority shall create a system plan to implement an
37 equitable transit-oriented development strategy for diverse, vibrant,
38 mixed-use, and mixed-income communities consistent with transit-

1 oriented development plans developed with community input by any
2 regional transportation planning organization or regional transit
3 authority within or encompassing the authority area. This system plan
4 must include the following:

5 (a) A requirement that when an authority disposes or transfers
6 any surplus property, a minimum of 80 percent of the surplus property
7 to be disposed or transferred, including air rights, that is suitable
8 for development as housing, must be offered for either transfer at no
9 cost, sale, or long-term lease first to qualified entities that agree
10 to develop affordable housing on the property, consistent with local
11 land use and zoning laws:

12 (i) If a qualified entity receives surplus property from an
13 authority after being offered the property as provided in (a) of this
14 subsection, the authority must require a minimum of 80 percent of the
15 housing units constructed on property obtained under this subsection
16 to be dedicated to affordable housing.

17 (ii) If a qualified entity sells property or development rights
18 obtained through this subsection, it must use the proceeds from the
19 sale to construct only affordable housing units within one-half miles
20 of the location of the original property;

21 (b) A requirement that the authority must work in good faith to
22 implement all requirements of this section, but is not required to
23 comply with a requirement imposed by (a)(i) or (ii) of this
24 subsection if the requirement is in conflict, as determined by the
25 relevant federal agency, with provisions of the applicable federal
26 transit administration master grant agreement, federal transit
27 administration full funding grant agreement with the city
28 transportation authority, or the equivalent federal railroad
29 administration agreement necessary to establish or maintain
30 eligibility for a federal grant program;

31 (c) A requirement that (a) of this subsection does not apply to
32 property to be transferred to governments or third parties in order
33 to facilitate permitting, construction, or mitigation of high
34 capacity transportation facilities and services.

35 (2) A city transportation authority implementing subsection
36 (1)(a) of this section must, at the end of each fiscal quarter, send
37 a report to the appropriate committees of the legislature and post a
38 report on its website detailing the following activities:

39 (a) Any transfers of property that have occurred in the previous
40 fiscal quarter pursuant to subsection (1)(a) of this section; and

1 (b) Any progress in implementing any regional equitable transit-
2 oriented development strategy for diverse, vibrant, mixed-use, and
3 mixed-income communities approved by the voters pursuant to this
4 section.

5 NEW SECTION. **Sec. 13.** A new section is added to chapter 35.95A
6 RCW to read as follows:

7 As a condition of receiving state funding, a city transportation
8 authority shall submit a maintenance and preservation management plan
9 for certification by the state department of transportation. The plan
10 must inventory all transportation system assets within the direction
11 and control of the city transportation authority, and provide a plan
12 for preservation of assets based on lowest life-cycle cost
13 methodologies.

--- END ---