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**SENATE BILL 5161**

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**State of Washington 69th Legislature 2025 Regular Session**

**By** Senators Liias, King, and Nobles; by request of Office of Financial Management

AN ACT Relating to transportation funding and appropriations; amending RCW 43.19.642, 46.20.745, 46.68.060, 46.68.063, 46.68.290, 46.68.300, 46.68.370, 46.68.395, 46.68.490, 46.68.500, 46.68.510, 47.56.876, 47.60.315, 47.60.322, 47.60.530, 47.66.120, 47.68.090, 70A.65.240, 46.68.520, 46.68.280, and 82.21.030; creating new sections; making appropriations and authorizing expenditures for capital improvements; and declaring an emergency.

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

**2025-2027 FISCAL BIENNIUM**

NEW SECTION. **Sec.**  (1) The transportation budget of the state is hereby adopted and, subject to the provisions set forth, the several amounts specified, or as much thereof as may be necessary to accomplish the purposes designated, are hereby appropriated from the several accounts and funds named to the designated state agencies and offices for employee compensation and other expenses, for capital projects, and for other specified purposes, including the payment of any final judgments arising out of such activities, for the period ending June 30, 2027.

(2) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this act.

(a) "Fiscal year 2026" or "FY 2026" means the fiscal year ending June 30, 2026.

(b) "Fiscal year 2027" or "FY 2027" means the fiscal year ending June 30, 2027.

(c) "FTE" means full-time equivalent.

(d) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(e) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose that is not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.

(f) "Reappropriation" means appropriation and, unless the context clearly provides otherwise, is subject to the relevant conditions and limitations applicable to appropriations.

**GENERAL GOVERNMENT AGENCIES—OPERATING**

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

Motor Vehicle Account—State Appropriation $588,000

NEW SECTION. **Sec.**  **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

Grade Crossing Protective Account—State

Appropriation $504,000

Pilotage Account—State Appropriation $150,000

TOTAL APPROPRIATION $654,000

NEW SECTION. **Sec.**  **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

Motor Vehicle Account—State Appropriation $216,000

Puget Sound Ferry Operations Account—State

Appropriation $132,000

TOTAL APPROPRIATION $348,000

NEW SECTION. **Sec.**  **FOR THE STATE PARKS AND RECREATION COMMISSION**

Motor Vehicle Account—State Appropriation $1,186,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for road maintenance purposes.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF AGRICULTURE**

Motor Vehicle Account—State Appropriation $1,550,000

NEW SECTION. **Sec.**  **FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**

Motor Vehicle Account—State Appropriation $759,000

NEW SECTION. **Sec.**  **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

Move Ahead WA Flexible Account—State Appropriation $3,003,000

The appropriation in this section is subject to the following conditions and limitations: The entire move ahead WA flexible account—state appropriation in this section is provided solely for increasing the number of certified women and minority-owned contractors in the transportation sector statewide, with priority given to areas outside of the Puget Sound area and supporting these contractors to successfully compete and earn more transportation contracting opportunities. This purpose must be accomplished through various programs including, but not limited to: (1) Outreach to women and minority-owned business communities and individuals; (2) technical assistance, mentorship, and consultation as needed in areas such as financing, accounting, contracting, procurement, and resolution of disputes and grievances; (3) language access programs for those with limited English proficiency; (4) developing a truck rotation program to allow smaller minority and women-owned trucking companies to pool their resources and compete with larger scale trucking operations; and (5) other programs that aim to increase the number of women and minority contractors that are successful in obtaining contracts in the transportation sector directly with state agencies such as the department, with local jurisdictions, or as subcontractors for prime contractors.

NEW SECTION. **Sec.**  **FOR THE BOARD OF PILOTAGE COMMISSIONERS**

Pilotage Account—State Appropriation $3,468,000

The appropriation in this section is subject to the following conditions and limitations:

(1) The board of pilotage commissioners shall file the annual report to the governor and chairs of the transportation committees required under RCW 88.16.035(1)(f) by September 1, 2025, and annually thereafter. The report must include the continuation of policies and procedures necessary to increase the diversity of pilots, trainees, and applicants, including a diversity action plan. The diversity action plan must articulate a comprehensive vision of the board's diversity goals and the steps it will take to reach those goals.

(2) $116,000 of the pilotage account—state appropriation is for a temporary environmental planner position to support rulemaking to fulfill the requirements of chapter 289, Laws of 2019.

NEW SECTION. **Sec.**  **FOR THE UNIVERSITY OF WASHINGTON**

Multimodal Transportation Account—State

Appropriation $2,300,000

The appropriation in this section is subject to the following conditions and limitations: $2,300,000 of the multimodal transportation account—state appropriation is provided solely for the University of Washington's sidewalk inventory and accessibility mapping project to develop a public dataset under an open license and develop the tools needed to publish that data according to an open data specification. The project must include, but is not limited to, utilization of existing data sources, imagery, detailed surveys, and manually collected, detailed data for city streets, county rural and urban local access roads and collectors/arterials, state roads of all types, and roads owned by other entities. The project may draw on partially developed sidewalk data for all state facilities. To the extent practicable, the final product must be suitable for use by the department of transportation, local and regional agencies, tribal governments, and the general public. For the first phase of work, the project will produce a base active transportation data layer for all counties, with priority given to counties with high proportions of overburdened communities. A project status report is due to the transportation committees of the legislature on December 1st of each year until the work is completed.

NEW SECTION. **Sec.**  **FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL**

Motor Vehicle Account—State Appropriation $996,000

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF ECOLOGY**

Model Toxics Control Capital Account—State

Appropriation $15,715,000

Carbon Emissions Reduction Account—State

Appropriation $4,000,000

TOTAL APPROPRIATION $19,715,000

The appropriations in this section are subject to the following conditions and limitations: $15,715,000 of the model toxics control capital account—state appropriation and $4,000,000 of the carbon emissions reduction account—state appropriation are provided solely for the department to provide grants to transition from diesel school buses and other student transport vehicles to zero emission vehicles and for the necessary fueling infrastructure needed for zero emission student transportation. The department must prioritize school districts serving tribes and vulnerable populations in overburdened communities as defined under RCW 70A.02.010. Up to five percent of the appropriation in this section may be used for technical assistance and grant administration.

NEW SECTION. **Sec.**  **FOR THE EVERGREEN STATE COLLEGE**

Aeronautics Account—State Appropriation $94,000

The appropriation in this section is subject to the following conditions and limitations: $94,000 of the aeronautics account—state appropriation is provided solely for the Washington state institute for public policy to continue to:

(1) Conduct an independent assessment of the passenger and air cargo forecasts cited in the Puget Sound regional council regional aviation baseline study, including an evaluation of the underlying data, assumptions, methodologies, and calculation of the level of uncertainty around the forecast;

(2) Conduct a comprehensive literature review to identify effective national and international strategies to reduce demand for air travel, including diverting such demand to other modes and whether such diversion avoids net environmental impacts to overburdened communities and vulnerable populations;

(3) Conduct a review of existing operational and technological enhancements to address environmental impacts from commercial aviation activities including, but not limited to, climate friendly routing of aircraft, innovations intended to address the climate change effects of noncarbon dioxide emissions from aviation activities, simulation models applied to congested airports, and online tools to track, analyze, and improve carbon footprints related to aviation activities. The review should identify the feasibility of enhancements to be deployed in the state of Washington; and

(4) Provide a report to the office of the governor and the transportation committees of the legislature by December 31, 2025.

NEW SECTION. **Sec.**  **FOR THE OFFICE OF THE GOVERNOR**

State Patrol Highway Account—State Appropriation $762,000

**TRANSPORTATION AGENCIES—OPERATING**

NEW SECTION. **Sec.**  **FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION**

Highway Safety Account—State Appropriation $10,552,000

Highway Safety Account—Federal Appropriation $36,097,000

Highway Safety Account—Private/Local Appropriation $60,000

Cooper Jones Active Transportation Safety Account—

State Appropriation $400,000

School Zone Safety Account—State Appropriation $850,000

TOTAL APPROPRIATION $47,959,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Within existing resources, the commission, through the Cooper Jones active transportation safety council, must prioritize the review of pedestrian, bicyclist, or nonmotorist fatality and serious injury review when the victim is a member of a federally recognized tribe. Consistent with RCW 43.59.156(5), the commission may recommend any policy or legislative changes to improve traffic safety for tribes through such review.

(2) $300,000 of the highway safety account—state appropriation is provided solely for the commission to purchase telematics data from a qualified vendor that provides anonymized information on vehicle speeds and driver behaviors, such as hard braking, on a statewide basis and in selected geographical areas based upon demographic characteristics and crash history. The commission must provide an annual report summarizing findings from the telematics data to the transportation committees of the legislature beginning by June 30, 2025, and until June 30, 2027.

(3) $1,500,000 of the highway safety account—state appropriation is provided solely for a pilot program for dedicated probation or compliance officers at the local level to improve compliance with ignition interlock device installation requirements associated with impaired driving offenses. The commission must select locations based on an assessment of ignition interlock device compliance rates, and the willingness and ability to have staff dedicated to this activity. By June 30, 2027, the commission must provide to the transportation committees of the legislature a status report on the specific locations selected and any outcome information.

(4) $1,000,000 of the highway safety account—state appropriation is provided solely to implement a multifaceted approach to supplement existing funding targeted at impaired driving and other enforcement. The areas of emphasis expected to be funded include additional high visibility enforcement and indigenous knowledge-informed tribal traffic safety support. Funding is also provided for the commission to administer and provide oversight of these activities. The commission must provide a preliminary report to the transportation committees of the legislature and the office of financial management on these funded activities and any outcome information by December 1, 2025, with a final report due by December 1, 2026.

(5) $200,000 of the highway safety account—state appropriation is provided solely for an educational campaign to make the public aware of the requirements of Z-0079/25 (reducing the blood alcohol concentration limit from .08 to .05). If chapter . . ., Laws of 2025 (reducing the blood alcohol concentration limit from .08 to .05) is not enacted by June 30, 2025, the amount provided in this subsection lapses.

(6) $350,000 of the highway safety account—state appropriation is provided solely to complete an annual report on impacts of the automated traffic cameras used in the state as required in RCW 46.63.210 through 46.63.260, beginning July 1, 2026.

NEW SECTION. **Sec.**  **FOR THE COUNTY ROAD ADMINISTRATION BOARD**

Rural Arterial Trust Account—State Appropriation $4,079,000

Motor Vehicle Account—State Appropriation $4,745,000

County Arterial Preservation Account—State

Appropriation $4,579,000

TOTAL APPROPRIATION $13,403,000

The appropriations in this section are subject to the following conditions and limitations: $2,500,000 of the rural arterial trust account—state appropriation and $2,500,000 of the county arterial preservation account—state appropriation are provided solely for a grant program to assist counties and cities with the costs associated with obtaining a new federal highway administration load rating for bridges to accommodate legal loads as authorized under RCW 46.44.041.

NEW SECTION. **Sec.**  **FOR THE TRANSPORTATION IMPROVEMENT BOARD**

Transportation Improvement Account—State

Appropriation $5,094,000

NEW SECTION. **Sec.**  **FOR THE JOINT TRANSPORTATION COMMITTEE**

Motor Vehicle Account—State Appropriation $2,267,000

NEW SECTION. **Sec.**  **FOR THE TRANSPORTATION COMMISSION**

Motor Vehicle Account—State Appropriation $2,283,000

Interstate 405 and State Route Number 167 Express

Toll Lanes Account—State Appropriation $150,000

Multimodal Transportation Account—State

Appropriation $15,000

State Route Number 520 Corridor Account—State

Appropriation $288,000

Tacoma Narrows Toll Bridge Account—State

Appropriation $178,000

Alaskan Way Viaduct Replacement Project Account—

State Appropriation $168,000

TOTAL APPROPRIATION $3,082,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The commission shall provide regular updates on the status of ongoing coordination with the state of Oregon on any bistate agreements regarding the mutual or joint setting, adjustment, and review of toll rates and exemptions. Prior to finalizing any such agreement, the commission shall provide a draft of the agreement to the transportation committees of the legislature for review and input. Additionally, the commission shall advise on the status of any bistate agreements to the joint transportation committee beginning in September 2023 and quarterly thereafter until any agreements are finalized.

(2) $15,000 of the multimodal transportation account—state appropriation and $14,000 of the motor vehicle account—state appropriation are provided solely for the commission to complete the statewide transportation plan required under RCW 47.01.071(4).

NEW SECTION. **Sec.**  **FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

Freight Mobility Investment Account—State

Appropriation $1,623,000

The appropriation in this section is subject to the following conditions and limitations: The board shall on an annual basis provide a status update on project delivery, including information on project timeline, cost, and budgeted cash flow over time to the office of financial management and the transportation committees of the legislature on the delivery of the freight mobility strategic investment projects on OFM Transportation Document 2025-1: Proposed Transportation Project List as developed December 17, 2024.

NEW SECTION. **Sec.**  **FOR THE WASHINGTON STATE PATROL**

Alaskan Way Viaduct Replacement Project Account—

State Appropriation $42,000

Climate Commitment Account—State Appropriation $2,107,000

State Patrol Highway Account—State Appropriation $749,131,000

State Patrol Highway Account—Federal Appropriation $24,146,000

State Patrol Highway Account—Private/Local

Appropriation $4,604,000

Highway Safety Account—State Appropriation $4,433,000

Ignition Interlock Device Revolving Account—State

Appropriation $2,713,000

Multimodal Transportation Account—State

Appropriation $334,000

State Route Number 520 Corridor Account—State

Appropriation $90,000

Tacoma Narrows Toll Bridge Account—State

Appropriation $274,000

I-405 and SR 167 Express Toll Lanes Account—State

Appropriation $2,894,000

TOTAL APPROPRIATION $790,768,000

The appropriations in this section are subject to the following conditions and limitations:

(1) $580,000 of the state patrol highway account—state appropriation is provided solely for the operation of and administrative support to the license investigation unit to enforce vehicle registration laws in southwestern Washington. The Washington state patrol, in consultation with the department of revenue, shall maintain a running estimate of the additional vehicle registration fees, sales and use taxes, and local vehicle fees remitted to the state pursuant to activity conducted by the license investigation unit. Beginning October 1, 2023, and semiannually thereafter, the Washington state patrol shall submit a report detailing the additional revenue amounts generated since July 1, 2023, to the director of the office of financial management and the transportation committees of the legislature. At the end of the fiscal quarter in which it is estimated that more than $625,000 in state sales and use taxes have been remitted to the state since July 1, 2025, the Washington state patrol shall notify the state treasurer and the state treasurer shall transfer funds pursuant to section 406 of this act.

(2) Washington state patrol officers engaged in off-duty uniformed employment providing traffic control services to the department of transportation or other state agencies may use state patrol vehicles for the purpose of that employment, subject to guidelines adopted by the chief of the Washington state patrol. The Washington state patrol must be reimbursed for the use of the vehicle at the prevailing state employee rate for mileage and hours of usage, subject to guidelines developed by the chief of the Washington state patrol.

(3) $2,500,000 of the highway safety account-state appropriation is provided solely for implementation of chapter 17, Laws of 2023 (speed safety cameras).

(4) $4,950,000 of the state patrol highway account—state appropriation is provided solely for the acquisition, down payment, and related costs associated with the planned replacement of an aging Cessna aircraft and the purchase of one infrared camera (infrared camera #2). This funding will cover the second (C206 #2), third (C206 #3), and fourth (C206 #4) aircraft replacements.

(5) During the 2025-2027 fiscal biennium, the office of financial management will include in any compensation survey undertaken in accordance with RCW 41.06.167 and 43.43.380 a comparison of base salary provided and recruitment bonus amounts offered by the surveyed law enforcement agencies. The comparison will be based on the survey results and the 2024 Washington state patrol compensation survey published in June 2024.

(6) Within existing resources, the state patrol shall continue its diversity, equity, and inclusion program, as well as its statewide community engagement program to improve relationships with historically underrepresented communities and to recruit and retain a diverse workforce. Additionally, the state patrol shall maintain a contract with an external psychologist to perform exams.

(7) Within existing resources, the Washington state patrol must offer a minimum of 14 emergency vehicle operator courses per year at its Shelton driving track exclusively for basic law enforcement academies offered by the criminal justice training commission.

(8) $1,804,000 of the climate commitment account—state appropriation is provided solely for the Washington state patrol fire marshal's office to expand training to the fire service to address fire and safety risks associated with emerging technologies including, but not limited to, incidents involving electric vehicles and stored energy.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF LICENSING**

Driver Licensing Technology Support Account—State

Appropriation $1,773,000

Marine Fuel Tax Refund Account—State Appropriation $34,000

Motorcycle Safety Education Account—State

Appropriation $5,418,000

Limited Fish and Wildlife Account—State

Appropriation $499,000

Highway Safety Account—State Appropriation $301,339,000

Highway Safety Account—Federal Appropriation $1,314,000

Motor Vehicle Account—State Appropriation $96,937,000

Motor Vehicle Account—Private/Local Appropriation $1,336,000

Ignition Interlock Device Revolving Account—State

Appropriation $6,850,000

Department of Licensing Services Account—State

Appropriation $8,890,000

License Plate Technology Account—State Appropriation $3,829,000

Abandoned Recreational Vehicle Account—State

Appropriation $3,116,000

Limousine Carriers Account—State Appropriation $128,000

Electric Vehicle Account—State Appropriation $466,000

DOL Technology Improvement & Data Management

Account—State Appropriation $978,000

Agency Financial Transaction Account—State

Appropriation $18,344,000

Move Ahead WA Flexible Account—State Appropriation $1,506,000

TOTAL APPROPRIATION $452,757,000

The appropriations in this section are subject to the following conditions and limitations:

(1) $1,100,000 of the highway safety account—state appropriation and $1,100,000 of the move ahead WA flexible account—state appropriation are provided solely for the department to provide an interagency transfer to the department of children, youth, and families for the purpose of providing driver's license support. In addition to support services required under RCW 74.13.338(2), support services may include reimbursement of:

(a) The cost for a youth in foster care of any eligible age to complete a driver training education course, as outlined in chapter 46.82 or 28A.220 RCW;

(b) The costs incurred by foster youth in foster care for a motor vehicle insurance policy;

(c) The costs of roadside assistance, motor vehicle insurance deductibles, motor vehicle registration fees, towing services, car maintenance, comprehensive car insurance, and gas cards; and

(d) Any other costs related to obtaining a driver's license and driving legally and safely.

(2)(a) $36,000 of the motor vehicle account—state appropriation is provided solely for the issuance of nonemergency medical transportation vehicle decals to implement the high occupancy vehicle lane access pilot program established in section 217(2) of this act. A for hire nonemergency medical transportation vehicle is a vehicle that is a "for hire vehicle" under RCW 46.04.190 that provides nonemergency medical transportation, including for life-sustaining transportation purposes, to meet the medical transportation needs of individuals traveling to medical practices and clinics, cancer centers, dialysis facilities, hospitals, and other care providers.

(b) As part of this pilot program, the owner of a for hire nonemergency medical transportation vehicle may apply to the department, county auditor or other agent, or subagent appointed by the director, for a high occupancy vehicle exempt decal for a for hire nonemergency medical transportation vehicle. The high occupancy vehicle exempt decal allows the for hire nonemergency medical transportation vehicle to use a high occupancy vehicle lane as specified in RCW 46.61.165 and 47.52.025 during the 2025-2027 fiscal biennium.

(c) For the exemption in this subsection to apply to a for hire nonemergency medical transportation vehicle, the decal:

(i) Must be displayed on the vehicle so that it is clearly visible from outside the vehicle;

(ii) Must identify that the vehicle is exempt from the high occupancy vehicle requirements; and

(iii) Must be visible from the rear of the vehicle.

(d) The owner of a for hire nonemergency medical transportation vehicle or the owner's representative must apply for a high occupancy vehicle exempt decal on a form provided or approved by the department. The application must include:

(i) The name and address of the person who is the owner of the vehicle;

(ii) A full description of the vehicle, including its make, model, year, and the vehicle identification number;

(iii) The purpose for which the vehicle is principally used;

(iv) An attestation signed by the vehicle's owner or the owner's representative that the vehicle's owner has a minimum of one contract or service agreement to provide for hire transportation services for medical purposes with one or more of the following entities: A health insurance company; a hospital, clinic, dialysis center, or other medical institution; a day care center, retirement home, or group home; a federal, state, or local agency or jurisdiction; or a broker who negotiates these services on behalf of one or more of these entities; and

(v) Other information as required by the department upon application.

(e) The department, county auditor or other agent, or subagent appointed by the director shall collect the fee required under (f) of this subsection when issuing or renewing a high occupancy vehicle exempt decal.

(f) The department, county auditor or other agent, or subagent must collect a $5 fee when issuing or renewing a decal under this subsection, in addition to any other fees and taxes required by law.

(g) A high occupancy vehicle exempt decal expires June 30, 2027, and must be marked to indicate its expiration date. The decal may be renewed if the pilot program is continued past the date of a decal's expiration. The status as an exempt vehicle continues until the high occupancy vehicle exempt decal is suspended or revoked for misuse, the vehicle is no longer used as a for hire nonemergency medical transportation vehicle, or the pilot program established in section 217(2) of this act is terminated.

(h) The department may adopt rules to implement this subsection.

(3) $1,450,000 of the highway safety account—state appropriation is provided solely for organizations providing driver's license assistance and support services. Of this amount:

(a) $700,000 of the highway safety account—state appropriation is provided solely for driver's license assistance and support services in King county with an existing provider that is already providing these services to low-income immigrant and refugee women; and

(b) $750,000 of the highway safety account—state appropriation is provided solely for additional contracts with organizations providing driver's license assistance and other related support services in other parts of the state.

(c) By December 1st of each year, the department must submit information on the contracted providers, including: The annual budget of the contracted providers in the preceding year; information regarding private and other governmental support for the activities of the providers; and a description of the number of people served, services delivered, and outcome measures.

(4) $222,000 of the motor vehicle account—state appropriation is provided solely for implementation of Z-0041/25 (improving collector vehicle regulations). If chapter . . ., Laws of 2025 (improving collector vehicle regulations) is not enacted by June 30, 2025, the amount provided in this subsection lapses.

(5) $143,000 of the highway safety account—state appropriation is provided solely for implementation of Z-0003/25 (driver training in lieu of suspension). If chapter . . ., Laws of 2025 (driver training in lieu of suspension) is not enacted by June 30, 2025, the amount provided in this subsection lapses.

(6) For the 2025-2027 fiscal biennium, the department shall charge $1,336,000 for the administration and collection of a motor vehicle excise tax on behalf of a regional transit authority, as authorized under RCW 82.44.135. The amount in this subsection must be deducted before distributing any revenue to a regional transit authority.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—TOLL OPERATIONS AND MAINTENANCE—PROGRAM B**

Puget Sound Gateway Facility Account—State

Appropriation $7,651,000

State Route Number 520 Corridor Account—State

Appropriation $47,676,000

State Route Number 520 Civil Penalties Account—State

Appropriation $2,378,000

Tacoma Narrows Toll Bridge Account—State

Appropriation $38,558,000

Alaskan Way Viaduct Replacement Project Account—

State Appropriation $26,578,000

Interstate 405 and State Route Number 167 Express

Toll Lanes Account—State Appropriation $50,048,000

TOTAL APPROPRIATION $172,889,000

The appropriations in this section are subject to the following conditions and limitations:

(1) $1,300,000 of the Tacoma Narrows toll bridge account—state appropriation and $12,820,000 of the state route number 520 corridor account—state appropriation are provided solely for the purposes of addressing unforeseen operations and maintenance costs on the Tacoma Narrows bridge and the state route number 520 bridge, respectively. The office of financial management shall place the amounts provided in this subsection, which represent a portion of the required minimum fund balance under the policy of the state treasurer, in unallotted status. The office may release the funds only when it determines that all other funds designated for operations and maintenance purposes have been exhausted.

(2) As long as the facility is tolled, the department must provide annual reports to the transportation committees of the legislature on the Interstate 405 express toll lane project performance measures listed in RCW 47.56.880(4). These reports must include:

(a) Information on the travel times and travel time reliability (at a minimum, average and 90th percentile travel times) maintained during peak and nonpeak periods in the express toll lanes and general purpose lanes for both the entire corridor and commonly made trips in the corridor including, but not limited to, northbound from Bellevue to Rose Hill, state route number 520 at NE 148th to Interstate 405 at state route number 522, Bellevue to Bothell (both NE 8th to state route number 522 and NE 8th to state route number 527), and a trip internal to the corridor (such as NE 85th to NE 160th) and similar southbound trips; and

(b) Underlying congestion measurements, that is, speeds, that are being used to generate the summary graphs provided, to be made available in a digital file format.

(3) The department shall make detailed annual reports to the transportation committees of the legislature and the public on the department's website in a manner consistent with past practices as specified in section 209(5), chapter 186, Laws of 2022.

(4) As part of the department's 2027-2029 biennial budget request, the department shall update the cost allocation recommendations that assign appropriate costs to each of the toll funds for services provided by relevant Washington state department of transportation programs, the Washington state patrol, and the transportation commission. The recommendations shall be based on updated traffic and toll transaction patterns and other relevant factors.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—INFORMATION TECHNOLOGY—PROGRAM C**

Transportation Partnership Account—State

Appropriation $2,472,000

Motor Vehicle Account—State Appropriation $128,657,000

Puget Sound Ferry Operations Account—State

Appropriation $307,000

Multimodal Transportation Account—State

Appropriation $3,098,000

Transportation 2003 Account (Nickel Account)—State

Appropriation $1,488,000

TOTAL APPROPRIATION $136,022,000

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—FACILITY MAINTENANCE, OPERATIONS, AND CONSTRUCTION—PROGRAM D—OPERATING**

Motor Vehicle Account—State Appropriation $42,098,000

Move Ahead WA Account—State Appropriation $2,044,000

State Route Number 520 Corridor Account—State

Appropriation $34,000

TOTAL APPROPRIATION $44,176,000

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION EQUIPMENT FUND—PROGRAM E**

Move Ahead WA Account—State Appropriation $20,000,000

The appropriation in this section is subject to the following conditions and limitations: The entire move ahead WA account—state appropriation is provided solely for the department's costs related to replacing obsolete transportation equipment and replacing fuel sites. Beginning December 1, 2024, and annually thereafter, the department must provide a report to the office of financial management and the transportation committees of the legislature detailing the current progress on replacing obsolete equipment, progress towards reaching a level purchasing state, and the status of a fuel site replacement prioritization plan. The report must also include:

(1) A list of department owned and managed fuel sites prioritized by urgency of replacement;

(2) A discussion of department practices that would create a sustained revenue source for capital repair and replacement of fuel sites; and

(3) A discussion of to what extent the fuel site infrastructure can support zero emissions vehicles.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—AVIATION—PROGRAM F**

Aeronautics Account—State Appropriation $14,174,000

Aeronautics Account—Federal Appropriation $2,600,000

Aeronautics Account—Private/Local Appropriation $60,000

TOTAL APPROPRIATION $16,834,000

The appropriations in this section are subject to the following conditions and limitations:

(1) $2,100,000 of the aeronautics account—state appropriation is provided solely for the move ahead WA aviation grants. The department shall prioritize projects eligible for federal funding.

(2) $1,774,000 of the aeronautics account—state appropriation is provided solely for the implementation of chapter 463, Laws of 2023 (commercial aviation services). Funding is provided for the activities of the work group and for support of the work group by the department. The activities of the work group include the issuance of the initial progress report, required in section 4, chapter 463, Laws of 2023, which requires the listing of areas that will not have further review as the areas are in conflict with the operations of a military installation. The report must also identify unsuitable geographies due to either environmental impacts or impacts to overburdened communities. Additionally, within the funding provided, the work group must:

(a) Work to understand what studies currently exist on state transportation needs and capacities and identify any gaps of information; and

(b) Conduct meaningful community engagement with overburdened and vulnerable populations with a focus on the environmental justice impact of aviation on communities.

(3)(a) $2,100,000 of the aeronautics account—state appropriation is provided solely for sustainable aviation grants recommended by the department under the sustainable aviation grants program:

(i) West solar arrays and battery storage for the Chehalis-Centralia airport;

(ii) Electric aircraft charging stations and strategic plan for the Pangborn memorial airport; and

(iii) Solar covered car canopy for the Yakima air terminal and McAllister field airport.

(b) The department shall submit a report to the transportation committees of the legislature by October 1, 2026, identifying a selection of sustainable aviation projects for funding by the legislature. In considering projects to recommend to fund, the department shall only consider projects that advance the state of sustainable aviation technology and lead to future innovation. Innovative sustainable aviation projects may include, but are not limited to, pilot projects demonstrating the use of:

(i) Mobile battery charging technology;

(ii) Hydrogen electrolyzers and storage;

(iii) Electric ground equipment; and

(iv) Hanger charging technology.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—PROGRAM DELIVERY MANAGEMENT AND SUPPORT—PROGRAM H**

Motor Vehicle Account—State Appropriation $69,069,000

Motor Vehicle Account—Federal Appropriation $500,000

Multimodal Transportation Account—State

Appropriation $832,000

Move Ahead WA Flexible Account—State Appropriation $572,000

TOTAL APPROPRIATION $70,973,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) $572,000 of the move ahead WA flexible account—state appropriation is provided solely to track and maximize clean fuels credits and revenue generated by state agencies pursuant to chapter 70A.535 RCW.

(b) OFM Transportation Document 2025-1: Proposed Transportation Project List as developed December 17, 2024, anticipates fulfillment of the requirements under chapter 70A.535 RCW of generating credits and revenue for transportation investments funded in an omnibus transportation appropriations act, including the move ahead WA transportation package. The omnibus transportation appropriations act anticipates credits for ferry electrification for new hybrid electric vessels, active transportation, transit programs and projects, alternative fuel infrastructure, connecting communities, and multimodal investments.

(c) Pursuant to the reporting requirements of RCW 70A.535.050(5), the department must present a detailed projection of the credit revenues generated and achieved directly as a result of the funding and activities in this subsection.

(2) During the 2025-2027 fiscal biennium, if the department takes possession of the property situated in the city of Edmonds for which a purchase agreement was executed between Unocal and the department in 2005 (Tax Parcel Number 262703-2-003-0009), and if the department confirms that the property is still no longer needed for transportation purposes, the department shall provide the city of Edmonds with the first right of purchase at fair market value in accordance with RCW 47.12.063(3) for the city's intended use of the property to rehabilitate near-shore habitat for salmon and related species.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC-PRIVATE PARTNERSHIPS—PROGRAM K**

Motor Vehicle Account—State Appropriation $773,000

Multimodal Transportation Account—State

Appropriation $200,000

Multimodal Transportation Account—Federal

Appropriation $50,140,000

Carbon Emissions Reduction Account—State

Appropriation $110,840,000

TOTAL APPROPRIATION $161,953,000

The appropriations in this section are subject to the following conditions and limitations:

(1) $15,000,000 of the carbon emissions reduction account—state appropriation is provided solely for the clean alternative fuel vehicle charging and refueling infrastructure program in chapter 287, Laws of 2019 (advancing green transportation adoption).

(2) The public-private partnerships program must continue to explore retail partnerships at state-owned park and ride facilities, as authorized in RCW 47.04.295.

(3) $83,315,000 of the carbon emissions reduction account—state appropriation is provided solely for implementation of zero-emission medium and heavy-duty vehicle and equipment infrastructure and incentive programs and for the replacement of school buses powered by fossil fuels with zero-emission school buses, including the purchase and installation of zero-emission school bus refueling infrastructure.

(a) Of this amount, $18,875,000 is for the department to administer an early action grant program to provide expedited funding for the replacement of school buses powered by fossil fuels with zero-emission school buses, including the purchase and installation of zero-emission school bus refueling infrastructure. The department must contract with the department of ecology to implement the early action grant program.

(b)(i) The remaining $64,440,000, inclusive of costs for program administration and staffing, is for a point-of-sale voucher incentive program to encourage the faster adoption of zero-emission medium and heavy-duty vehicles to further state climate goals under RCW 70A.45.020 and state equity goals under chapter 70A.02 RCW. The voucher incentive program must be administered by a third-party administrator that has experience administering voucher incentive programs, with oversight conducted by the department.

(ii) The voucher program is required to be designed based on the recommendations of the Joint Transportation Committee report *Washington State Infrastructure and Incentive Program Design for MHD ZEVs*, and to include:

(A) Simplified zero-emission vehicle eligibility requirements;

(B) Vehicle and infrastructure incentives aligned with programs in other jurisdictions, where appropriate, to streamline user planning;

(C) Financial enhancements for select populations based on equity considerations, including for vehicles in disadvantaged communities and vehicles to be purchased by small, minority-owned businesses, with consideration for support of the secondary vehicle market;

(D) A centralized user and manufacturer portal for information, application, and assistance;

(E) A fleet assistance and qualification program to assist in zero-emission vehicle and infrastructure planning, to be administered by the Washington State University extension energy program in coordination with the department and the voucher program's third-party administrator; and

(F) A voucher preapproval process to evaluate participant eligibility, readiness for fleet deployment, and infrastructure preparedness.

(iii) The following battery electric and hydrogen fuel cell electric vehicle categories and associated charging, as well as refueling infrastructure for these categories, are eligible for the voucher program, subject to additional qualification criteria to be determined by the department and the voucher program third-party administrator:

(A) On-road vehicles from class 2b, heavy work pickups and vans, through class 8, heavy tractor-trailer units and refuse trucks; and

(B) Cargo handling and off-road equipment.

(iv) School buses and transit vehicles eligible for state grant programs for the purchase of zero-emission vehicles are not eligible for vouchers under this program, but are eligible for fleet assistance provided in association with the voucher program, which must include assistance in determining state and federal grant eligibility for these vehicles.

(v) The voucher amounts selected by the department and voucher program third-party administrator must further the policy goals of the program cited in (b)(i) of this subsection by offsetting investments required for medium and heavy-duty vehicle and equipment owners to transition to zero-emission vehicles and equipment. The department and voucher program third-party administrator must condition vehicle and infrastructure voucher funding to ensure these program policy goals are furthered through the voucher funding provided.

(vi) Consistent with voucher program design, the department is required to distribute funds to the voucher program third-party administrator sufficiently in advance of final requirements for voucher distribution being met to facilitate the voucher's timely distribution by the third-party administrator to sellers of zero-emission vehicles and infrastructure.

(4) $10,000,000 of the carbon emissions reduction account—state appropriation is provided solely for grants, and to serve as a state match for secured federal funds, to finance hydrogen refueling infrastructure for medium and heavy-duty vehicles with a focus on locations in disadvantaged and overburdened communities, where possible. The department, in consultation with the interagency electric vehicle coordinating council, should pursue any federal funding available through the charging and fueling infrastructure discretionary grant program and any other sources under the federal infrastructure investment and jobs act (P.L. 29 117-58).

(5) $800,000 of the carbon emissions reduction account—state appropriation is provided solely for the cities of Bellevue and Redmond to each purchase an electric fire engine.

(6) $1,725,000 of the carbon emissions reduction account—state appropriation is provided solely for a Tacoma Public Utilities medium-duty zero-emission utility service vehicle pilot project that includes charging infrastructure and mobile battery units.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M**

Motor Vehicle Account—State Appropriation $576,909,000

Motor Vehicle Account—Federal Appropriation $7,000,000

Move Ahead WA Account—State Appropriation $50,000,000

Puget Sound Gateway Facility Account—State

Appropriation $3,402,000

RV Account—State Appropriation $1,100,000

State Route Number 520 Corridor Account—State

Appropriation $4,736,000

Tacoma Narrows Toll Bridge Account—State

Appropriation $1,585,000

Alaskan Way Viaduct Replacement Project Account—

State Appropriation $8,752,000

Interstate 405 and State Route Number 167 Express

Toll Lanes Account—State Appropriation $2,624,000

TOTAL APPROPRIATION $656,108,000

The appropriations in this section are subject to the following conditions and limitations:

(1) $5,000,000 of the motor vehicle account—state appropriation is provided solely for a contingency pool for snow and ice removal. The department must notify the office of financial management and the transportation committees of the legislature when they have spent the base budget for snow and ice removal and will begin using the contingency pool funding.

(2)(a) $7,000,000 of the motor vehicle account—state appropriation is provided solely for the department to address the risks to safety and public health associated with homeless encampments on department owned rights-of-way. The department must coordinate and work with local government officials and social service organizations who provide services and direct people to housing alternatives that are not in highway rights-of-way to help prevent future encampments from forming on highway rights-of-way and may reimburse the organizations doing this outreach assistance who transition people into treatment or housing or for debris clean up on highway rights-of-way. A minimum of $2,000,000 of this appropriation must be used to deliver more frequent removal of litter on the highway rights-of-way that is generated by unsheltered people and may be used to hire crews specializing in collecting and disposing of garbage, clearing debris or hazardous material, and implementing safety improvements where hazards exist to the traveling public and department employees. The department may use these funds to either reimburse local law enforcement costs or the Washington state patrol if they are providing enhanced safety to department staff during debris cleanup or during efforts to prevent future encampments from forming on highway rights-of-way.

(b) Beginning November 1, 2023, and semiannually thereafter, the Washington state patrol and the department of transportation must jointly submit a report to the governor and the transportation committees of the legislature on the status of these efforts, including:

(i) A summary of the activities related to addressing encampments, including information on arrangements with local governments or other entities related to these activities;

(ii) A description of the planned activities in the ensuing two quarters to further address the emergency hazards and risks along state highway rights-of-way; and

(iii) Recommendations for executive branch or legislative action to achieve the desired outcome of reduced emergency hazards and risks along state highway rights-of-way.

(3)(a) $1,000,000 of the motor vehicle account—state appropriation is provided solely for a partnership program between the department and the city of Spokane, to be administered in conjunction with subsection (2) of this section. The program must address the safety and public health problems created by homeless encampments on the department's property along state highways within the city limits. $555,000 of the motor vehicle account—state appropriation is for dedicated department maintenance staff and associated clean-up costs.

(b) The department and the city of Spokane shall enter into a reimbursable agreement to cover up to $445,000 of the city's expenses for clean-up crews and landfill costs.

(4) $1,025,000 of the motor vehicle account—state appropriation is provided solely for the department to implement safety improvements and debris clean up on department-owned rights-of-way in the city of Seattle at levels above that being implemented as of January 1, 2019, to be administered in conjunction with subsection (2) of this section. The department must maintain a crew dedicated solely to collecting and disposing of garbage, clearing debris or hazardous material, and implementing safety improvements where hazards exist to the traveling public, department employees, or people encamped upon department-owned rights-of-way. The department may request assistance from the Washington state patrol as necessary in order for both agencies to provide enhanced safety-related activities regarding the emergency hazards along state highway rights-of-way in the Seattle area.

(5) $1,015,000 of the motor vehicle account—state appropriation is provided solely for a partnership program between the department and the city of Tacoma, to be administered in conjunction with subsection (2) of this section. The program must address the safety and public health problems created by homeless encampments on the department's property along state highways within the city limits. $570,000 of the motor vehicle account—state appropriation is for dedicated department maintenance staff and associated clean-up costs. The department and the city of Tacoma shall enter into a reimbursable agreement to cover up to $445,000 of the city's expenses for clean-up crews and landfill costs.

(6) To the greatest extent practicable, the department shall schedule mowing along state highways to occur after litter pickup has been performed in the area to be mowed. This subsection is not intended to prevent mowing or other similar maintenance activities from being undertaken in the event litter pickup has not been performed.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION OPERATIONS—PROGRAM Q—OPERATING**

Highway Safety Fund—State Appropriation $10,621,000

Motor Vehicle Account—State Appropriation $90,158,000

Motor Vehicle Account—Federal Appropriation $2,102,000

Motor Vehicle Account—Private/Local Appropriation $294,000

Move Ahead WA Account—State Appropriation $3,074,000

Multimodal Transportation Account—State

Appropriation $5,000,000

State Route Number 520 Corridor Account—State

Appropriation $247,000

Tacoma Narrows Toll Bridge Account—State

Appropriation $44,000

Alaskan Way Viaduct Replacement Project Account—

State Appropriation $1,122,000

Interstate 405 and State Route Number 167 Express

Toll Lanes Account—State Appropriation $36,000

TOTAL APPROPRIATION $112,698,000

The appropriations in this section are subject to the following conditions and limitations:

(1) $6,000,000 of the motor vehicle account—state appropriation is provided solely for low-cost enhancements. The department shall give priority to low-cost enhancement projects that improve safety or provide congestion relief. By December 15th of each odd-numbered year, the department shall provide a report to the legislature listing all low-cost enhancement projects completed in the prior fiscal biennium.

(2)(a) During the 2025-2027 fiscal biennium, the department shall continue a pilot program that expands private transportation providers' access to high occupancy vehicle lanes. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, the following vehicles must be authorized to use the reserved portion of the highway if the vehicle has the capacity to carry eight or more passengers, regardless of the number of passengers in the vehicle: (i) Auto transportation company vehicles regulated under chapter 81.68 RCW; (ii) passenger charter carrier vehicles regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; (iii) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and (iv) private employer transportation service vehicles. For purposes of this subsection, "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees. Nothing in this subsection is intended to authorize the conversion of public infrastructure to private, for-profit purposes or to otherwise create an entitlement or other claim by private users to public infrastructure.

(b) The department shall expand the high occupancy vehicle lane access pilot program to vehicles that deliver or collect blood, tissue, or blood components for a blood-collecting or distributing establishment regulated under chapter 70.335 RCW. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, blood-collecting or distributing establishment vehicles that are clearly and identifiably marked as such on all sides of the vehicle are considered emergency vehicles and must be authorized to use the reserved portion of the highway.

(c) The department shall expand the high occupancy vehicle lane access pilot program to for hire nonemergency medical transportation vehicles, when in use for medical purposes, as described in section 208(2) of this act. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, nonemergency medical transportation vehicles that meet the requirements identified in section 208(2) of this act must be authorized to use the reserved portion of the highway.

(d) Nothing in this subsection is intended to exempt these vehicles from paying tolls when they do not meet the occupancy requirements established by the department for express toll lanes.

(3) The appropriations in this section assume implementation of additional cost recovery mechanisms to recoup at least $100,000 in credit card and other financial transaction costs related to the collection of fees imposed under RCW 46.17.400, 46.44.090, and 46.44.0941 for driver and vehicle fee transactions beginning January 1, 2023. The department may recover transaction fees incurred through credit card transactions.

(4) $5,000,000 of the multimodal transportation account—state appropriation is provided solely for the department to address emergent issues related to safety for pedestrians and bicyclists. Funds may only be spent after approval from the office of financial management. By December 15th of each odd-numbered year, the department shall provide a report to the legislature listing all emergent issues addressed in the prior fiscal biennium.

(5) $10,621,000 of the highway safety account—state appropriation is provided solely for implementation of chapter 17, Laws of 2023 (speed safety cameras).

(6)(a) $1,900,000 of the motor vehicle account—state appropriation is provided solely for the department, in coordination with the independent review team of the joint transportation committee, to conduct an analysis of highway, road, and freight rail transportation needs, options, and impacts from shifting the movement of freight and goods that currently move by barge through the lower Snake river dams to highways, other roads, and rail. This is a reappropriation of funds appropriated in the 2023-2025 fiscal biennium. The study should generate volume estimates and evaluate scenarios for changes in infrastructure and operations that would be necessary to address those additional volumes. The assessment must include quantitative analysis based on available data in terms of both financial and carbon emission costs; and qualitative input gathered from tribal governments, local governments, freight interests, and other key stakeholders, including impacts on disadvantaged/underserved communities. The analysis must include a robust public engagement process to solicit feedback from interested stakeholders including but not limited to: Residents and officials in affected cities and counties; stakeholders involved in railroad, agriculture, fishing, trucking, shipping and other related industries; appropriate Native American tribes; representatives of advocacy and community organizations; and transportation, public works, and economic development organizations in the affected areas, federal highway administration and army corps of engineers. The analysis must be informed by the work of the joint transportation committee's independent review team, and must include the following:

(i) Existing volumes and traffic patterns;

(ii) Potential changes in volumes and traffic patterns immediately following the loss of freight movement by barge and over the following 20 years, including the carbon emissions impact of this mode shift;

(iii) Identification of whether regional geography, land availability, and state and federal regulatory processes would allow for rail and road expansions and increased capacity;

(iv) Identification of potential infrastructure and operational improvements to existing highways, other roads, and rail, including additional access to facilities, needed to accommodate the higher freight volumes and impacts and potential opportunities to mitigate impacts on shipping rates;

(v) Identification of rail line development options, including impacts and potential opportunities to mitigate impacts on grain storage and handling facilities at regional unit train yards and port export facilities;

(vi) An assessment of costs associated with mitigating potential slope failure and stabilization necessitated by the drawdown of the river. An assessment of impacts and potential opportunities to mitigate impacts on adjacent roads, bridges, railroads, and utility corridors shall be included;

(vii) Both financial and carbon cost estimates for development and implementation of identified needs and options, including planning, design, and construction;

(viii) Analysis of the impacts and potential opportunities to mitigate impacts of these infrastructure changes on environmental justice and disadvantaged/underserved communities during construction, as well as from future operations;

(ix) Analysis of safety impacts and potential opportunities to mitigate impacts for a shift from barge transportation to rail or truck, including increases in rural community traffic and consistency with the Washington State Strategic Highway Safety Plan: Target Zero;

(x) Impacts and potential opportunities to mitigate impacts on highly affected commodities, including agriculture, petroleum, project cargo, and wind energy components;

(xi) Analysis of the impacts and potential opportunities to mitigate impacts that reduced competition resulting from removing barging of agricultural products on the Snake river would have on Washington's agricultural industry along with impacts modal shifts would have on the entire supply chain, including export facilities and ports on the Lower Columbia River; and

(xii) Determination of the feasibility that additional east-west freight rail capacity can be achieved, particularly through Columbia River Gorge, and the alternative routes that exist in the event that adding more infrastructure on these routes is not feasible.

(b) The department shall provide status updates on a quarterly basis in coordination with the joint transportation committee. The department must submit a final report to the governor and the transportation committees of the legislature by December 31, 2026.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S**

Motor Vehicle Account—State Appropriation $45,951,000

Motor Vehicle Account—Federal Appropriation $780,000

Motor Vehicle Account—Private/Local Appropriation $500,000

Move Ahead WA Flexible Account—State Appropriation $5,400,000

Puget Sound Ferry Operations Account—State

Appropriation $510,000

Multimodal Transportation Account—State

Appropriation $7,920,000

State Route Number 520 Corridor Account—State

Appropriation $220,000

Tacoma Narrows Toll Bridge Account—State

Appropriation $136,000

Alaskan Way Viaduct Replacement Project Account—

State Appropriation $127,000

Interstate 405 and State Route Number 167 Express

Toll Lanes Account—State Appropriation $114,000

TOTAL APPROPRIATION $61,658,000

The appropriations in this section are subject to the following conditions and limitations:

(1) $2,000,000 of the motor vehicle account—state appropriation and $5,400,000 of the move ahead WA flexible account—state appropriation are provided solely for efforts to increase diversity in the transportation construction workforce through:

(a) The preapprenticeship support services (PASS) and career opportunity maritime preapprenticeship support services (COMPASS) programs, which aim to increase diversity in the highway construction and maritime workforces and prepare individuals interested in entering the highway construction and maritime workforces. In addition to the services allowed under RCW 47.01.435, the PASS and COMPASS programs may provide housing assistance for youth aging out of the foster care and juvenile rehabilitation systems to support their participation in a transportation-related preapprenticeship program and support services to obtain necessary maritime documents and coast guard certification; and

(b) Assisting minority and women-owned businesses to perform work in the highway construction industry.

(2) $6,791,000 of the multimodal transportation account—state appropriation is provided solely for the department to complete the upgrade of the transportation reporting and accounting information system to the current cloud version of the software.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION PLANNING, DATA, AND RESEARCH—PROGRAM T**

Motor Vehicle Account—State Appropriation $33,143,000

Motor Vehicle Account—Federal Appropriation $38,760,000

Motor Vehicle Account—Private/Local Appropriation $400,000

Move Ahead WA Flexible Account—State Appropriation $6,379,000

Multimodal Transportation Account—State

Appropriation $1,803,000

Multimodal Transportation Account—Federal

Appropriation $2,823,000

Multimodal Transportation Account—Private/Local

Appropriation $100,000

TOTAL APPROPRIATION $83,408,000

The appropriations in this section are subject to the following conditions and limitations:

(1) $140,000 of the multimodal transportation account—state appropriation is provided solely for the city of Seattle's office of planning and community development to continue to support an equitable development initiative to reconnect the South Park neighborhood, currently divided by state route number 99.

(a) The support work must include:

(i) A public engagement and visioning process led by a neighborhood-based, community organization; and

(ii) A feasibility study of decommissioning state route number 99 in the South Park neighborhood to include, but not be limited to, traffic studies, environmental impact analysis, and development of alternatives, including the transfer of the land to a neighborhood-led community land trust.

(b) The support work must be conducted in coordination and partnership with neighborhood residents, neighborhood industrial and commercial representatives, the state department of transportation, and other entities and neighborhoods potentially impacted by changes to the operation of state route number 99.

(c) The city must provide an interim report on progress to date to the Seattle city council, state department of transportation, and the transportation committees of the legislature by June 30, 2025 and a final report that includes recommendations by June 30, 2027.

(2) $1,557,000 of the motor vehicle account—state appropriation is provided solely for the department to complete the upgrade of the department's linear referencing system (LRS) and highway performance monitoring system (HPMS).

(3)(a) The entire move ahead WA flexible account—state appropriation is provided solely for an Interstate 5 planning and environmental linkage study and a statewide Interstate 5 master plan, building upon existing work under way in the corridor.

(b) The work under (a) of this subsection must include, but is not limited to, the following:

(i) Seismic resiliency planning to refine the level of effort and develop informed cost estimates for the seismic vulnerability analysis;

(ii) HOV lane system-wide performance planning and initial steps to launch a pilot project that progresses innovative and emerging technologies;

(iii) Interstate 5 corridor planning work, including development of a framework, coordination of corridor needs, development of core evaluation criteria and a prioritization process, and identification of early action priority projects that address safety or resiliency, or both, along the corridor; and

(iv) An interim report on the progress of the Interstate 5 master plan to the transportation committees of the legislature and the office of financial management by June 30, 2026.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U**

Aeronautics Account—State Appropriation $1,000

Transportation Partnership Account—State

Appropriation $56,000

Motor Vehicle Account—State Appropriation $119,134,000

Puget Sound Ferry Operations Account—State

Appropriation $244,000

State Route Number 520 Corridor Account—State

Appropriation $69,000

Connecting Washington Account—State Appropriation $452,000

Multimodal Transportation Account—State

Appropriation $6,781,000

Tacoma Narrows Toll Bridge Account—State

Appropriation $43,000

Alaskan Way Viaduct Replacement Project Account—

State Appropriation $38,000

Interstate 405 and State Route Number 167 Express

Toll Lanes Account—State Appropriation $43,000

TOTAL APPROPRIATION $126,861,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Consistent with existing protocol and practices, for any negotiated settlement of a claim against the state for the department that exceeds $5,000,000, the department, in conjunction with the attorney general and the department of enterprise services, shall notify the director of the office of financial management and the transportation committees of the legislature.

(2) On August 1, 2025, and semiannually thereafter, the department, in conjunction with the attorney general and the department of enterprise services, shall provide a report with judgments and settlements dealing with the Washington state ferry system to the director of the office of financial management and the transportation committees of the legislature. The report must include information on: (a) The number of claims and settlements by type; (b) the average claim and settlement by type; (c) defense costs associated with those claims and settlements; and (d) information on the impacts of moving legal costs associated with the Washington state ferry system into the statewide self-insurance pool.

(3) On August 1, 2025, and semiannually thereafter, the department, in conjunction with the attorney general and the department of enterprise services, shall provide a report with judgments and settlements dealing with the nonferry operations of the department to the director of the office of financial management and the transportation committees of the legislature. The report must include information on: (a) The number of claims and settlements by type; (b) the average claim and settlement by type; and (c) defense costs associated with those claims and settlements.

(4) When the department identifies significant legal issues that have potential transportation budget implications, the department must initiate a briefing for appropriate legislative members or staff through the office of the attorney general and its legislative briefing protocol.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V**

Carbon Emissions Reduction Account—State

Appropriation $4,800,000

Climate Transit Programs Account—State Appropriation $272,750,000

State Vehicle Parking Account—State Appropriation $784,000

Rural Mobility Grant Program Account—State

Appropriation $32,223,000

Multimodal Transportation Account—State

Appropriation $76,481,000

Multimodal Transportation Account—Federal

Appropriation $4,502,000

Multimodal Transportation Account—Private/Local

Appropriation $100,000

TOTAL APPROPRIATION $391,640,000

The appropriations in this section are subject to the following conditions and limitations:

(1) $62,698,000 of the multimodal transportation account—state appropriation and $78,525,000 of the climate transit programs account—state appropriation are provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation. Of this amount:

(a) $14,420,000 of the multimodal transportation account—state appropriation and $17,963,000 of the climate transit programs account—state appropriation are provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers must be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided.

(b) $48,278,000 of the multimodal transportation account—state appropriation and $60,137,000 of the climate transit programs account—state appropriation are provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must, to the greatest extent practicable, have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies must be prorated based on the amount expended for demand response service and route deviated service in calendar year 2023 as reported in the "2023 Summary of Public Transportation" published by the department of transportation. No transit agency may receive more than 30 percent of these distributions.

(c) $425,000 of the climate transit programs account—state appropriation is provided solely for the reappropriation of amounts provided for this purpose in the 2023-2025 fiscal biennium.

(2) $32,223,000 of the rural mobility grant program account—state appropriation is provided solely for grants to aid small cities in rural areas as prescribed in RCW 47.66.100.

(3) $5,700,000 of the multimodal transportation account—state appropriation, $3,300,000 of the climate transit programs account—state appropriation, and $784,000 of the state vehicle parking account—state appropriation are provided solely for CTR grants and activities.

(4) The department shall not require more than a 10 percent match from nonprofit transportation providers for state grants.

(5) $188,900,000 of the climate transit programs account—state appropriation is provided solely for transit support grants for public transit agencies that have adopted and maintained a zero-fare policy for youth 18 years of age and under. The department must confirm zero-fare policies are in effect at transit agencies to be eligible for biennial distributions.

(6) $2,000,000 of the climate transit programs account—state appropriation is provided solely for newly selected transit coordination grants. The department shall prioritize grant proposals that promote the formation of joint partnerships between transit agencies or merge service delivery across entities.

(7) $1,124,000 of the multimodal transportation account—state appropriation is provided solely for the department to provide a statewide vanpool benefit for all state employees. For department employees working in remote job sites, such as mountain passes, the department must ensure employees are able to access job sites via a subsidized vanpool or provide a modal alternative for the "last mile" to ensure employees can access the job site without additional charge.

(8) $500,000 of the carbon emissions reduction account—state appropriation is provided solely for an interagency transfer to the Washington State University extension energy program to administer a technical assistance and education program for public agencies on the use of alternative fuel vehicles. The Washington State University extension energy program shall prepare a report regarding the utilization of the program and submit this report to the transportation committees of the legislature and the office of financial management by November 15, 2025.

(9) $3,400,000 of the carbon emissions reduction account—state appropriation is reappropriated and provided solely for the pilot program established under chapter 287, Laws of 2019 (advancing green transportation adoption) to provide clean alternative fuel vehicle use opportunities to underserved communities and low to moderate income members of the workforce not readily served by transit or located in transportation corridors with emissions that exceed federal or state emissions standards.

(10) $900,000 of the carbon emissions reduction account—state appropriation is reappropriated and provided solely for the department to implement certain recommendations from the 2023 frequent transit service study. The department shall define levels and types of demand-response service and measure access to these services within Washington for the purpose of gaining a fuller picture of transit access. The department must collect ongoing transportation data and develop systems to allow for analysis of disparities in access to existing fixed route transit. The data collection should prioritize collecting information on accessibility and inclusion of people with disabilities, vulnerable populations in overburdened communities, and other underserved communities. The department shall submit a report on data collection efforts to the transportation committees of the legislature and the office of financial management by June 30, 2026.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X**

Puget Sound Ferry Operations Account—State

Appropriation $678,789,000

Puget Sound Ferry Operations Account—Federal

Appropriation $115,315,000

Puget Sound Ferry Operations Account—Private/Local

Appropriation $121,000

TOTAL APPROPRIATION $794,225,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The office of financial management budget instructions require agencies to recast enacted budgets into activities. The Washington state ferries shall include a greater level of detail in its 2025-2027 supplemental and 2027-2029 omnibus transportation appropriations act requests, as determined jointly by the office of financial management, the Washington state ferries, and the transportation committees of the legislature. This level of detail must include the administrative functions in the operating as well as capital programs. The data in the tables in the report must be supplied in a digital file format.

(2) $75,047,000 of the Puget Sound ferry operations account—federal appropriation and $24,425,000 of the Puget Sound ferry operations account—state appropriation are provided solely for auto ferry vessel operating fuel in the 2025-2027 fiscal biennium, which reflect cost savings from a reduced biodiesel fuel requirement and, therefore, is contingent upon the enactment of section 703, chapter 472, Laws of 2023. The amount provided in this subsection represents the fuel budget for the purposes of calculating any ferry fare fuel surcharge. The department shall review future use of alternative fuels and dual fuel configurations, including hydrogen.

(3) $500,000 of the Puget Sound ferry operations account—state appropriation is provided solely for operating costs related to moving vessels for emergency capital repairs. Funds may only be spent after approval by the office of financial management.

(4) The department must work to increase its outreach and recruitment of populations underrepresented in maritime careers and continue working to expand apprenticeship and internship programs, with an emphasis on programs that are shown to improve recruitment for positions with the state ferry system.

(5) During negotiations of the 2027-2029 collective bargaining agreements, the department must conduct a review and analysis of the collective bargaining agreements governing state ferry employees, to identify provisions that create barriers for, or contribute to creating a disparate impact on, newly hired ferry employees, including those who are women, people of color, veterans, and other employees belonging to communities that have historically been underrepresented in the workforce. The review and analysis must incorporate, to the extent practicable, the findings and recommendations from the December 2022 joint transportation committee study on Washington state ferries' workforce, and must also include, but not be limited to, provisions regarding seniority, work assignments, and work shifts. The review and analysis must also include consultation with the governor's office of labor relations, the governor's office of equity, and the attorney general's office.

(6) $10,802,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the following:

(a) $6,032,000 is for the Kitsap transit passenger ferry to supplement service on the Seattle-Bremerton route.

(b) $4,770,000 is for the temporary expanded weekday midday King county water taxi service support to and from Vashon Island.

(7) $2,548,000 of the Puget Sound ferry operations account—state appropriation is provided solely for security services at Colman Dock.

(8) $13,900,000 of the Puget Sound ferry operations account—state appropriation is provided solely for overtime and familiarization expenses incurred by engine, deck, and terminal staff. The department must provide updated staffing cost estimates for fiscal years 2026 and 2027 with its annual budget submittal and updated estimates by January 1, 2026.

(9) $1,100,000 of the Puget Sound ferry operations account—state appropriation is provided solely for traffic control at ferry terminals at Seattle, Fauntleroy, Kingston, Edmonds, Mukilteo, and Bainbridge Island, during peak ferry travel times, with a particular focus on Sundays and holiday weekends.

(10) By December 31st of each year, as part of the annual ferries division performance report, the department must report on the status of efforts to increase the staff available for maintaining the customary level of ferry service, including staff for deck, engine, and terminals. The report must include data for a 12-month period up to the most recent data available, by staff group, showing the number of employees at the beginning of the 12-month period, the number of new employees hired, the number of employees separating from service, and the number of employees at the end of the 12-month period. The department report on additional performance measures must include:

(a) Numbers of trip cancellations due to crew availability or vessel mechanical issues;

(b) Current level of service compared to the full-service schedules in effect in 2019; and

(c) Retention rates of employees who have completed on the job workforce development programs and overall employee retention rates.

(11) $32,500,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the department to increase deck and engine positions across the system, prioritizing positions that will mitigate crew related cancellations and reduce overtime expenditures. The department must include an update on the number of positions hired by job class as part of the annual performance report.

(12) $1,518,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the implementation of chapter 188, Laws of 2023 (state ferry workforce development issues).

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—OPERATING**

Carbon Emissions Reduction Account—State

Appropriation $2,000,000

Multimodal Transportation Account—State

Appropriation $81,146,000

Multimodal Transportation Account—Private/Local

Appropriation $46,000

TOTAL APPROPRIATION $83,192,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall continue to provide high quality intercity passenger rail service, align planning efforts for continued growth and on-time performance improvements consistent with federally recognized corridor development programs, and implement improvements consistent with planning efforts through leveraging federal funding opportunities. New passenger rail equipment is essential to service enhancements. The department shall make every effort to coordinate with service partners to prepare for the arrival of new trainsets and implementation of service enhancements. A status report must be provided to the transportation committees of the legislature and the office of financial management by December 1, 2026.

(2) The department must continue to pursue funding opportunities for the Cascades corridor though the corridor identification and development program and the federal-state partnership programs at the federal rail administration. The department must notify the office of the governor and the transportation committees of the legislature of funding opportunities from the programs and any corresponding state match needs.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING**

Carbon Emissions Reduction Account—State

Appropriation $274,000

Motor Vehicle Account—State Appropriation $13,876,000

Motor Vehicle Account—Federal Appropriation $2,671,000

Multiuse Roadway Safety Account—State Appropriation $450,000

Multimodal Transportation Account—State

Appropriation $1,250,000

TOTAL APPROPRIATION $18,521,000

The appropriations in this section are subject to the following conditions and limitations:

(1) $750,000 of the multimodal transportation account—state appropriation is provided solely for a grant program to support local initiatives that expand or establish civilian intervention programs for nonmoving violations, focusing on nonpunitive interventions such as helmet voucher programs, fee offset programs, fix-it tickets, and repair vouchers that provide solutions for vehicle equipment failures for low-income road users.

(a) Grants must be awarded to local jurisdictions based on locally developed proposals to establish or expand existing programs, including programs with community led organizations. Eligible jurisdictions under the grant program include cities, counties, tribal government entities, tribal organizations, law enforcement agencies, or nonprofit organizations.

(b) The department shall report on its website by December 1st of each year on the recipients, locations, and types of projects funded under this subsection.

(2) $146,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 428, Laws of 2023 (Wahkiakum ferry).

(3) $274,000 of the carbon emissions reduction account—state appropriation is provided solely to support Pierce, Skagit, Whatcom, and Wahkiakum county ferries with youth zero-fare policies.

(4) $150,000 of the motor vehicle account—state appropriation is provided solely for the department to fund one full-time equivalent liaison position within the local program multiagency permit program. Within the amounts provided in this subsection, the department shall work to enhance its multiagency permit program capabilities, with an emphasis on multiagency agreements that streamline, prioritize, and expedite project-level and programmatic permits and approvals. The department shall review current multiagency permit program practices and provide a report with recommendations on the enhancement of the program to the transportation committees of the legislature by December 1, 2026.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—CLEAN FUELS CREDIT PROGRAM**

The department of transportation, with the assistance of designated staff in the department, must register for the clean fuels credit program and start tracking revenue generation pursuant to chapter 70A.535 RCW for investments funded in an omnibus transportation appropriations act. The omnibus transportation appropriations act anticipates credits for ferry electrification for new hybrid electric vessels, active transportation, transit programs and projects, alternative fuel infrastructure, connecting communities, and multimodal investments.

**TRANSPORTATION AGENCIES—CAPITAL**

NEW SECTION. **Sec.**  **FOR THE WASHINGTON STATE PATROL**

State Patrol Highway Account—State Appropriation $3,745,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for ongoing maintenance and preservation of equipment and facilities.

NEW SECTION. **Sec.**  **FOR THE COUNTY ROAD ADMINISTRATION BOARD**

Move Ahead WA Account—State Appropriation $9,333,000

Rural Arterial Trust Account—State Appropriation $51,573,000

Motor Vehicle Account—State Appropriation $2,103,000

County Arterial Preservation Account—State

Appropriation $30,242,000

TOTAL APPROPRIATION $93,251,000

NEW SECTION. **Sec.**  **FOR THE TRANSPORTATION IMPROVEMENT BOARD**

Small City Pavement and Sidewalk Account—State

Appropriation $3,953,000

Transportation Improvement Account—State

Appropriation $246,289,000

Complete Streets Grant Program Account—State

Appropriation $14,670,000

Climate Active Transportation Account—State

Appropriation $19,100,000

Move Ahead WA Account—State Appropriation $9,333,000

TOTAL APPROPRIATION $293,345,000

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—FACILITIES—PROGRAM D—(DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)—CAPITAL**

Motor Vehicle Account—State Appropriation $20,158,000

Move Ahead WA Account—State Appropriation $17,687,000

TOTAL APPROPRIATION $37,845,000

The appropriations in this section are subject to the following conditions and limitations:

(1) $4,025,000 of the motor vehicle account—state appropriation is provided solely for payments of a financing contract issued pursuant to chapter 39.94 RCW for the department facility located at 15700 Dayton Ave N in Shoreline. All payments from the department of ecology pursuant to the agreement with the department to pay a share of the financing contract for this facility must be deposited into the motor vehicle account.

(2) $8,687,000 of the move ahead WA account—state appropriation and $1,477,000 of the motor vehicle account—state appropriation are provided solely for the department to improve its ability to keep facility assets in a state of good repair. In using the funds appropriated in this subsection, the department must utilize the prioritization of facility capital preservation needs and repair projects developed as the basis of the 2025-2027 fiscal biennium agency budget submittal.

(3) $9,781,000 of the motor vehicle account—state appropriation is provided solely for making improvements to facilities to meet the Washington state clean buildings performance standard.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I**

Alaskan Way Viaduct Replacement Project Account—

State Appropriation $7,406,000

Climate Active Transportation Account—State

Appropriation $2,900,000

Move Ahead WA Account—Private/Local Appropriation $223,250,000

Transportation Partnership Account—State

Appropriation $9,548,000

Motor Vehicle Account—State Appropriation $50,551,000

Motor Vehicle Account—Federal Appropriation $380,633,000

Motor Vehicle Account—Private/Local Appropriation $53,233,000

Connecting Washington Account—State Appropriation $1,942,534,000

Special Category C Account—State Appropriation $9,884,000

Multimodal Transportation Account—State

Appropriation $12,302,000

Multimodal Transportation Account—Federal

Appropriation $1,842,000

State Route Number 520 Corridor Account—State

Appropriation $1,100,000

Interstate 405 and State Route Number 167 Express

Toll Lanes Account—State Appropriation $495,487,000

Move Ahead WA Account—State Appropriation $835,412,000

Move Ahead WA Account—Federal Appropriation $466,147,000

Puget Sound Gateway Facility Account—State

Appropriation $80,305,000

Carbon Emissions Reduction Account—State

Appropriation $4,879,000

TOTAL APPROPRIATION $4,577,413,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire connecting Washington account—state appropriation, the entire move ahead WA account—federal appropriation, the entire move ahead WA account—state appropriation, and the entire transportation partnership account—state appropriation are provided solely for the projects and activities as listed by fund, project, and amount in OFM Transportation Document 2025-1: Proposed Transportation Project List - Highway Improvements Program (I) as developed December 17, 2024. However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 of this act.

(2) The move ahead WA account—state appropriation includes up to $708,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(3) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in OFM Transportation Document 2025-1: Proposed Transportation Project List - Highway Improvements Program (I) as developed December 17, 2024. Any federal funds gained through efficiencies, adjustments to the federal funds forecast, or the federal funds redistribution process must then be applied to highway and bridge preservation activities.

(4) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer appropriation authority between programs I and P, except for appropriation authority that is otherwise restricted in this act, as follows:

(a) Ten days prior to any transfer, the department must submit its request to the office of financial management and the transportation committees of the legislature and consider any concerns raised.

(b) The director of the office of financial management must first provide written authorization for such transfer to the department and the transportation committees of the legislature.

(c) The department shall submit a report on appropriation authority transferred in the prior fiscal year using this subsection as part of the department's annual budget submittal.

(5) The connecting Washington account—state appropriation includes up to $1,942,534,000 in proceeds from the sale of bonds authorized in RCW 47.10.889.

(6) The office of financial management may authorize, through an appropriation modification, reductions in the amounts that are provided solely for a particular purpose within this section subject to the following conditions and limitations:

(a) The department must confirm that any modification requested under this subsection of amounts provided solely for a specific purpose are not expected to be used for that purpose in this fiscal biennium;

(b) Appropriation modifications authorized under this subsection may not result in increased funding for any project beyond the amount provided for that project in the 2025-2027 fiscal biennium in OFM Transportation Document 2025-1: Proposed Transportation Project List as developed December 17, 2024;

(c) Appropriation modifications authorized under this subsection apply only to amounts appropriated in this section from the following accounts: Connecting Washington account—state, and move ahead WA account—state; and

(d) The office of financial management must provide notice of appropriation modifications authorized under this subsection within 10 working days to the transportation committees of the legislature. By December 1, 2025, and December 1, 2026, the department must submit a report to the transportation committees of the legislature regarding the actions taken to date under this subsection.

(7) The department shall itemize all future requests for the construction of buildings on a project list and submit them through the transportation executive information system as part of the department's annual budget submittal.

(8) The legislature continues to prioritize the replacement of the state's aging infrastructure and recognizes the importance of reusing and recycling construction aggregate and recycled concrete materials in our transportation system. To accomplish Washington state's sustainability goals in transportation and in accordance with RCW 70A.205.700, the legislature reaffirms its determination that recycled concrete aggregate and other transportation building materials are natural resource construction materials that are too valuable to be wasted and landfilled, and are a commodity as defined in WAC 173-350-100.

(9)(a) $39,153,000 of the motor vehicle account—federal appropriation, $509,000 of the motor vehicle account—state appropriation, $2,564,000 of the motor vehicle account—local appropriation, and $116,280,000 of the connecting Washington account—state appropriation are provided solely for the Fish Passage Barrier Removal project (0BI4001) with the intent of fully complying with the federal *U.S. v. Washington* court injunction by 2030.

(b) The fish passage barrier removal program, in consultation with the office of innovative partnerships, shall explore opportunities to employ innovative delivery methods to ensure compliance with the court injunction including, but not limited to, public-private partnerships and batched contracts. Appropriations for this purpose may be used to jointly leverage state and local funds for match requirements in applying for competitive federal aid grants provided in the infrastructure investment and jobs act for removals of fish passage barriers under the national culvert removal, replacement, and restoration program. State funds used for the purpose described in this subsection must not compromise full compliance with the court injunction by 2030.

(c) The department shall coordinate with the Brian Abbott fish passage barrier removal board to use a watershed approach by replacing both state and local culverts guided by the principle of providing the greatest fish habitat gain at the earliest time. The department shall deliver high habitat value fish passage barrier corrections that it has identified, guided by the following factors: Opportunity to bundle projects, tribal priorities, ability to leverage investments by others, presence of other barriers, project readiness, culvert conditions, other transportation projects in the area, and transportation impacts. The department and Brian Abbott fish barrier removal board must provide updates on the implementation of the statewide culvert remediation plan to the legislature by November 1, 2025, and June 1, 2026.

(d) The department must keep track of, for each barrier removed: (i) The location; (ii) the amount of fish habitat gain; and (iii) the amount spent to comply with the injunction.

(e) During the 2025-2027 fiscal biennium, the department shall semiannually provide reports of the amounts of federal funding received for this project to the governor and transportation committees of the legislature.

(10)(a) $37,322,000 of the connecting Washington account—state appropriation is provided solely for the SR 3 Freight Corridor (T30400R) project. A total of $78,910,000 is allocated for this project to safeguard against inflation and supply/labor interruptions and ensure that:

(i) The northern terminus remains at Lake Flora Road and the southern terminus at the intersection of SR 3/SR 302; and

(ii) Multimodal safety improvements at the southern terminus remain in the project to provide connections to North Mason school district and provide safe routes to schools.

(b) With respect to right-of-way acquisition and the construction of the SR 3 Freight Corridor project (T30400R), tribal consultation with the Suquamish tribe shall begin at the earliest stage of planning, including without limitation on all funding decisions and funding programs, to provide a government-to-government mechanism for the tribe to evaluate, identify, and expressly notify governmental entities of any potential impacts to tribal cultural resources, archaeological sites, sacred sites, fisheries, or other rights and interests in tribal lands and lands within which the tribe possesses rights reserved or protected by federal treaty, statute, or executive order. The consultation is independent of, and in addition to, any public participation process required under state law, or by a state agency, including the requirements of Executive Order 21-02 related to archaeological and cultural resources, and regardless of whether the agency receives a request for consultation from the Suquamish tribe. Regularly scheduled tribal consultation meetings with the Suquamish tribe shall continue throughout the duration of any funding or program decisions and proposed project approval.

(11) $20,860,000 of the move ahead WA account—federal appropriation is provided solely for the SR 3/Gorst Area - Widening project (L4000017). Tribal consultation with the Suquamish tribe must begin at the earliest stage of planning, including, without limitation, all funding decisions and funding programs, to provide a government-to-government mechanism for the tribe to evaluate, identify, and expressly notify governmental entities of any potential impacts to tribal cultural resources, archaeological sites, sacred sites, fisheries, or other rights and interests in tribal lands and lands within which the tribe possesses rights reserved or protected by federal treaty, statute, or executive order. The consultation is independent of, and in addition to, any public participation process required under state law, or by a state agency, including the requirements of Executive Order 21-02 related to archaeological and cultural resources, and regardless of whether the agency receives a request for consultation from the Suquamish tribe. Regularly scheduled tribal consultation meetings with the Suquamish tribe must continue throughout the duration of any funding program and proposed project approval.

(12)(a) $134,500,000 of the move ahead WA account—federal appropriation and $223,250,000 of the move ahead WA account—private/local appropriation are provided solely for the I-5 Columbia river bridge project (L4000054). The legislature finds that the replacement of the I-5 Columbia river bridge is a project of national significance and is critical for the movement of freight. One span is now 105 years old, at risk for collapse in the event of a major earthquake, and no longer satisfies the needs of commerce and travel. Replacing the aging interstate bridge with a modern, seismically resilient, multimodal structure that provides improved mobility for people, goods, and services is a high priority. Therefore, the legislature intends to support the replacement of the I-5 Columbia river bridge with an investment of $1,000,000,000 over the 16-year move ahead WA investment program.

(b) The department shall provide regular updates on the status of ongoing coordination with the state of Oregon on any bistate agreements regarding sharing of revenues, use of revenues, and fiscal responsibilities of each state. Prior to finalizing any such agreement, the department shall provide a draft of the agreement to the transportation committees of the legislature for review and input. Additionally, the department shall continue to advise quarterly on the status of any bistate agreements to the joint transportation committee until any agreements are finalized.

(13) $1,527,000 of the multimodal transportation account—state appropriation, $27,889,000 of the motor vehicle account—private/local appropriation, $205,219,000 of the move ahead WA account—federal appropriation, $165,438,000 of the connecting Washington account—state appropriation, $80,305,000 of the Puget Sound gateway facility account—state appropriation, and $208,624,000 of the motor vehicle account—federal appropriation are provided solely for the SR 167/SR 509 Puget Sound Gateway project (M00600R).

(a) Any savings on the project must stay on the Puget Sound Gateway corridor until the project is complete.

(b) In making budget allocations to the Puget Sound Gateway project, the department shall implement the project's construction as a single corridor investment. The department shall continue to collaborate with the affected stakeholders as it implements the corridor construction and implementation plan for state route number 167 and state route number 509. Specific funding allocations must be based on where and when specific project segments are ready for construction to move forward and investments can be best optimized for timely project completion. Emphasis must be placed on avoiding gaps in fund expenditures for either project.

(c) The entire multimodal transportation account—state appropriation in this subsection is for:

(i) The design phase of the Puyallup to Tacoma multiuse trail along the state route number 167 right-of-way acquired for the project to connect a network of new and existing trails from Mount Rainier to Point Defiance Park; and

(ii) Segment 2 of the state route number 167 completion project shared-use path to provide connections to the interchange of state route number 167 at 54th to the intersection of state route number 509 and Taylor Way in Tacoma.

(14) $15,988,000 of the connecting Washington account—state appropriation is provided solely for the SR 224/Red Mountain Vicinity Improvement project (L1000291). The department shall provide funding to the city of West Richland to complete the project within the identified project scope and within the total amount provided. The department shall not amend the project's scope of work to add pavement preservation on state route number 224 from the West Richland city limits to Antinori Road.

(15) $593,139,000 of the connecting Washington account—state appropriation, $1,100,000 of the state route number 520 corridor account—state appropriation, and $7,278,000 of the motor vehicle account—private/local appropriation are provided solely for the SR 520 Seattle Corridor Improvements - West End project (M00400R).

(16) $152,000 of motor vehicle account—federal appropriation and $24,000 of the motor vehicle account—state appropriation are provided solely for the SR 900 Safety Improvements project (L2021118). The department must: (a) Work in collaboration with King county and the Skyway coalition to align community assets, transportation infrastructure needs, and initial design for safety improvements along state route number 900; and (b) work with the Skyway coalition to lead community planning engagement and active transportation activities.

(17) $5,750,000 of the motor vehicle account—federal appropriation is provided solely for a federal fund exchange pilot program. The pilot program must allow exchanges of federal surface transportation block grant population funding and state funds at an exchange rate of 95 cents in state funds per $1.00 in federal funds. The projects receiving the exchanged federal funds must adhere to all federal requirements, including the applicable disadvantaged business enterprise goals. The entirety of the appropriation in this subsection must be held in unallotted status until surface transportation block grant population funding has been offered to the state, and the department determines that a federalized project or projects funded in this section is eligible to spend the surface transportation block grant population funding. $5,462,500 from existing state appropriations identified elsewhere within this section are available to be used as part of the exchange. Upon determination that a project or projects funded in this section is eligible to spend the offered surface transportation block grant population funding, state funds appropriated in this section for the eligible state project or projects in an amount equal to 100 percent of the offered surface transportation block grant population funding must be placed in unallotted status.

(18) $5,229,000 of the connecting Washington account—state appropriation and $1,548,000 of the motor vehicle account—state appropriation are provided solely for the SR 522/Paradise Lk Rd Interchange & Widening on SR 522 (Design/Engineering) project (NPARADI), specifically for design of, preliminary engineering, and right-of-way acquisition for the interchange and widening as a single project. The department must consider reserving portions of state route number 522, including designated lanes or ramps, for the exclusive or preferential use of public transportation vehicles, privately owned buses, motorcycles, private motor vehicles carrying not less than a specified number of passengers, or private transportation provider vehicles pursuant to RCW 47.52.025.

(19) $1,508,000 of the connecting Washington account—state appropriation is provided solely for the SR 164 East Auburn Access project (L1000120). The department must work with the Muckleshoot tribe to deliver the project.

(20) $5,030,000 of the multimodal transportation account—state appropriation and $1,842,000 of the multimodal transportation account—federal appropriation are provided solely for the department to develop and implement a technology-based truck parking availability system along the Interstate 5 corridor in partnership with Oregon state and California state to maximize utilization of existing truck parking capacity and deliver real-time parking availability information to truck drivers (L1000375). The department may use a portion of the appropriation in this subsection for grant proposal development and as state match funding for technology-based truck parking availability system federal grant applications. The department must provide a status update report to the transportation committees of the legislature by December 1, 2026.

(21) $4,879,000 of the carbon emissions reduction account—state appropriation is provided solely for State Route 547 Pedestrian and Bicycle Safety Trail (Kendall Trail) (L4000144).

(22) The Puget Sound Gateway Facility account—state appropriation includes up to $80,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.896.

(23) The Interstate 405 and State Route Number 167 Express Toll Lanes account—state appropriation includes up to $333,935,000 in proceeds from the sale of bonds authorized in RCW 47.10.896.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—PRESERVATION—PROGRAM P**

Move Ahead WA Account—State Appropriation $54,833,000

Recreational Vehicle Account—State Appropriation $751,000

Motor Vehicle Account—State Appropriation $63,189,000

Motor Vehicle Account—Federal Appropriation $600,864,000

Motor Vehicle Account—Private/Local Appropriation $7,935,000

Connecting Washington Account—State Appropriation $41,159,000

State Route Number 520 Corridor Account—State

Appropriation $7,515,000

Tacoma Narrows Toll Bridge Account—State

Appropriation $1,871,000

Alaskan Way Viaduct Replacement Project Account—

State Appropriation $5,376,000

Interstate 405 and State Route Number 167 Express

Toll Lanes Account—State Appropriation $9,648,000

Transportation Partnership Account—State

Appropriation $10,000,000

TOTAL APPROPRIATION $803,191,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire connecting Washington account—state appropriation, the entire move ahead WA account—state appropriation, and the entire transportation partnership account—state appropriation are provided solely for the projects and activities as listed by fund, project, and amount in OFM Transportation Document 2025-1: Proposed Transportation Project List - Highway Preservation Program (P) as developed December 17, 2024. However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 of this act.

(2) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in OFM Transportation Document 2025-1: Proposed Transportation Project List - Highway Preservation Program (P) as developed December 17, 2024. Any federal funds gained through efficiencies, adjustments to the federal funds forecast, or the federal funds redistribution process must then be applied to highway and bridge preservation activities.

(3) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer appropriation authority between programs I and P, except for appropriation authority that is otherwise restricted in this act, as follows:

(a) Ten days prior to any transfer, the department must submit its request to the office of financial management and the transportation committees of the legislature and consider any concerns raised.

(b) The director of the office of financial management must first provide written authorization for such transfer to the department and the transportation committees of the legislature.

(c) The department shall submit a report on appropriation authority transferred in the prior fiscal year using this subsection as part of the department's annual budget submittal.

(4) $6,000,000 of the motor vehicle account—state appropriation is provided solely for extraordinary costs incurred from litigation awards, settlements, or dispute mitigation activities not eligible for funding from the self-insurance fund (L2000290). The amount provided in this subsection must be held in unallotted status until the department submits a request to the office of financial management that includes documentation detailing litigation-related expenses. The office of financial management may release the funds only when it determines that all other funds designated for litigation awards, settlements, and dispute mitigation activities have been exhausted.

(5) Within the connecting Washington account—state appropriation, the department may transfer funds from Highway System Preservation (L1100071) to other preservation projects listed in the OFM transportation document identified in subsection (1) of this section, if it is determined necessary for completion of these high priority preservation projects. The department's next budget submittal after using this subsection must appropriately reflect the transfer.

(6) The appropriations in this section include funding for starting planning, engineering, and construction of the Elwha River bridge replacement. To the greatest extent practicable, the department shall maintain public access on the existing route.

(7) $5,750,000 of the motor vehicle account—federal appropriation is provided solely for a federal fund exchange pilot program. The pilot program must allow exchanges of federal surface transportation block grant population funding and state funds at an exchange rate of 95 cents in state funds per $1.00 in federal funds. The projects receiving the exchanged federal funds must adhere to all federal requirements, including the applicable disadvantaged business enterprise goals. The entirety of the appropriation in this subsection must be held in unallotted status until surface transportation block grant population funding has been offered to the state and the department determines that a federalized project or projects funded in this section is eligible to spend the surface transportation block grant population funding. $5,462,500 from existing state appropriations identified elsewhere within this section are available to be used as part of the exchange. Upon determination that a project or projects funded in this section is eligible to spend the offered surface transportation block grant population funding, state funds appropriated in this section for the eligible state project or projects in an amount equal to 100 percent of the offered surface transportation block grant population funding must be placed in unallotted status.

(8) $12,632,000 of the move ahead Washington account—state appropriation is provided solely for SR 525 Bridge Replacement - Mukilteo (L2021084).

(9) The connecting Washington account—state appropriation includes up to $41,159,000 in proceeds from the sale of bonds authorized in RCW 47.10.889.

(10) The office of financial management may authorize, through an appropriation modification, reductions in the amounts that are provided solely for a particular purpose within this section subject to the following conditions and limitations:

(a) The department must confirm that any modification requested under this subsection of amounts provided solely for a specific purpose are not expected to be used for that purpose in this fiscal biennium;

(b) Appropriation modifications authorized under this subsection may not result in increased funding for any project beyond the amount provided for that project in the 2025-2027 fiscal biennium in OFM Transportation Document 2025-1: Proposed Transportation Project List as developed December 17, 2024;

(c) Appropriation modifications authorized under this subsection apply only to amounts appropriated in this section from the following accounts: Connecting Washington account—state and move ahead WA account—state; and

(d) The office of financial management must provide notice of appropriation modifications authorized under this subsection within 10 working days to the transportation committees of the legislature. By December 1, 2025, and December 1, 2026, the department must submit a report to the transportation committees of the legislature regarding the actions taken to date under this subsection.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION OPERATIONS—PROGRAM Q—CAPITAL**

Motor Vehicle Account—State Appropriation $5,845,000

Motor Vehicle Account—Federal Appropriation $8,374,000

Motor Vehicle Account—Private/Local Appropriation $635,000

TOTAL APPROPRIATION $14,854,000

The appropriations in this section are subject to the following conditions and limitations: $5,621,000 of the motor vehicle account—state appropriation, $6,500,000 of the motor vehicle account—federal appropriation, and $635,000 of the motor vehicle account—private/local appropriation are provided solely for Programmatic Investment for Traffic Operations Capital projects (000005Q). By December 15th of each odd-numbered year, the department shall provide a report to the legislature listing all traffic operations capital project investments completed in the prior fiscal biennium.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V—CAPITAL**

Regional Mobility Grant Program Account—State

Appropriation $136,126,000

Multimodal Transportation Account—State Appropriation $25,210,000

Climate Transit Programs Account—State $163,436,000

Carbon Emissions Reduction Account—State $27,000,000

TOTAL APPROPRIATION $351,772,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed in OFM Transportation Document 2025-1: Proposed Transportation Project List - Public Transportation Program (V) as developed December 17, 2024.

(2) $11,963,000 of the multimodal transportation account—state appropriation is provided solely for a public transit rideshare grant program for: (a) Public transit agencies to add or replace rideshare vehicles; and (b) incentives and outreach to increase rideshare use. The grant program for public transit agencies may cover capital costs only, and costs for operating vanpools at public transit agencies are not eligible for funding under this grant program. Awards from the grant program must not be used to supplant transit funds currently funding ride share programs, or to hire additional employees. Of the amounts provided in this subsection, $1,673,000 is for the reappropriation of amounts provided for this purpose in the 2023-2025 fiscal biennium.

(3)(a) $136,126,000 of the regional mobility grant program account—state appropriation is provided solely for regional mobility grant projects. Of the amounts provided in this subsection, $58,447,000 is for the reappropriation of amounts provided for this purpose in the 2023-2025 fiscal biennium. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, must be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and any remaining funds must be used only to fund projects identified in the OFM transportation document referenced in this section. The department shall provide annual status reports on December 15, 2025, and December 15, 2026, to the office of financial management and the transportation committees of the legislature regarding the projects receiving the grants. A grantee may not receive more than 25 percent of the amount appropriated in this subsection unless all other funding is awarded. Additionally, when allocating funding for the 2025-2027 fiscal biennium, no more than 30 percent of the total grant program may directly benefit or support one grantee unless all other funding is awarded.

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2025-2027 fiscal biennium, a transit agency must establish a process for private transportation providers to apply for the use of park and ride facilities. For purposes of this subsection, (i) "private transportation provider" means: An auto transportation company regulated under chapter 81.68 RCW; a passenger charter carrier regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; a private nonprofit transportation provider regulated under chapter 81.66 RCW; or a private employer transportation service provider; and (ii) "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees.

(c) During the 2025-2027 fiscal biennium, the department shall consider applications submitted by regional transportation planning organizations and metropolitan planning organizations for the regional mobility grant program funding in the 2027-2029 fiscal biennium.

(4) $11,189,000 of the multimodal transportation account—state appropriation is provided solely for connecting Washington transit projects. Of the amounts provided in this subsection, $3,407,000 is for the reappropriation of amounts provided for this purpose in the 2023-2025 fiscal biennium. Entities identified to receive funding in the OFM document referenced in this section receive the amounts specified in the time frame specified in that OFM document. If an entity has already completed a project in the OFM document referenced in this section before the time frame identified, the entity may substitute another transit project or projects that cost a similar or lesser amount.

(5) $2,058,000 of the multimodal transportation account—state appropriation and $48,454,000 of the climate transit programs account—state appropriation are provided solely for green transportation capital projects. Of the amounts provided in this subsection, the entire multimodal transportation account amount and $11,094,000 of the climate transit programs account amount are for the reappropriation of amounts provided for this purpose in the 2023-2025 fiscal biennium. Of the amount of climate transit program account funds appropriated in this subsection, $394,000 may be used for program administration and staffing.

(6) $7,442,000 of the carbon emissions reduction account—state appropriation is reappropriated and provided solely for additional green transportation capital projects. Of the amounts provided in this subsection, $1,000,000 is for the Jefferson Transit - Electric Bus Replacement project (GT23250A), $1,023,000 is for the Pacific Transit - Electrification of the Paratransit Fleet project (GT23250C), $3,795,000 is for the C-TRAN - Hydrogen Fueling Station Infrastructure project (GT23250D), and $1,623,000 is for the Island Transit - Fleet Expansion project (GT23250E).

(7) $12,232,000 of the climate transit programs account—state appropriation is provided solely for move ahead WA tribal transit grant projects. Of the amounts provided in this subsection, $1,635,000 is for the reappropriation of amounts provided for this purpose in the 2023-2025 fiscal biennium. $100,000 of the amount provided in this subsection may be used for program administration and staffing. Grants to federally recognized tribes may be for any transit purpose, including planning, operating costs, maintenance, and capital costs.

(8) $41,744,000 of the climate transit programs account—state appropriation is provided solely for the bus and bus facility grant program for replacement, rehabilitation, and purchase of transit rolling stock, or construction, modification, or rehabilitation of transit facilities. Of the amounts provided in this subsection, $3,744,000 is for the reappropriation of amounts provided for this purpose in the 2023-2025 fiscal biennium.

(9) $7,758,000 of the carbon emissions reduction account—state appropriation is reappropriated and provided solely for additional bus and bus facility projects. Of the amounts provided in this subsection, $1,467,000 is for Kitsap Transit for inductive charging units for transit centers, $1,891,000 is for Twin Transit for zero-emission vehicle acquisition, $4,400,000 is for C-TRAN for highway 99 BRT hydrogen fuel cell buses.

(10) $61,006,000 of the climate transit programs account—state appropriation is provided solely for move ahead Washington transit projects. Of the amounts provided in this subsection, $14,852,000 is for the reappropriation of amounts provided for this purpose in the 2023-2025 fiscal biennium.

(a) For projects funded as part of this subsection, if the department expects to have substantial reappropriations for the 2025-2027 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that is unable to be used within the 2025-2027 fiscal biennium to advance one or more of the projects listed, prioritizing projects first by tier then by project readiness.

(b) In instances when projects listed in the OFM document referenced in this section are no longer viable or have been completed, the department may recommend in its next budget submittal alternative project proposals from the local jurisdictions if the project is similar in type and scope and consistent with limitations on certain funds provided. In the event that the listed project has been completed, the local jurisdictions may, rather than submitting an alternative project, be reimbursed in the year in which it was scheduled for documented costs incurred implementing the listed project, not in excess of the amount awarded from the funding program.

(c) At least 10 business days before advancing or swapping a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2025-2027 fiscal biennium.

(11) $11,800,000 of the carbon emissions reduction account—state appropriation is reappropriated and provided solely for the following projects:

(a) Base Refurbish & Expansion for Growth/Columbia County Public Transportation (L4000182);

(b) Kitsap Transit: Design & Shore Power (G2000115);

(c) Pierce Transit - Meridian (L2021197); and

(d) King County Metro South Annex Base - Electrification Elements (L4000174).

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W**

Carbon Emissions Reduction Account—State

Appropriation $386,535,000

Move Ahead WA Account—State Appropriation $6,120,000

Puget Sound Capital Construction Account—State

Appropriation $349,493,000

Puget Sound Capital Construction Account—Federal

Appropriation $31,829,000

Puget Sound Capital Construction Account—

Private/Local Appropriation $1,679,000

Transportation Partnership Account—State

Appropriation $4,259,000

Connecting Washington Account—State Appropriation $6,886,000

Capital Vessel Replacement Account—State

Appropriation $207,726,000

TOTAL APPROPRIATION $994,527,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed in OFM Transportation Document 2025-1: Proposed Transportation Project List - Washington State Ferries Capital Program (W) as developed December 17, 2024.

(2) The capital vessel replacement account—state appropriation includes up to $155,406,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(3) $5,000,000 of the Puget Sound capital construction account—state appropriation is provided solely for emergency capital repair costs (999910K). Funds may only be spent after approval by the office of financial management.

(4) $207,726,000 of the capital vessel replacement account—state appropriation and $215,091,000 of the carbon emissions reduction account—state appropriation are provided solely for the hybrid-electric vessel construction (L2021073).

(5) $1,500,000 of the Puget Sound capital construction account—state appropriation is provided solely for the Future Hybrid Electric Ferry Class Pre-Design study (L2021131) to advance procurement of a new class of vessel that will account for changes in technology, staffing, and system needs. The department shall initiate a vessel predesign to replace the aging Issaquah class ferries with a new automobile hybrid electric ferry intended to operate on the Vashon Southworth-Fauntleroy route. The predesign study must include a review of the benefits and costs of constructing all future new vessels based on the same design. The review may also compare and contrast the benefits and costs of utilizing the existing hybrid electric Olympic class vessel design.

(6) $6,000,000 of the Puget Sound capital construction account—state appropriation is provided solely for modernization of the ticketing and reservation system (990052C).

(7) $2,321,000 of the Puget Sound capital construction account—state appropriation and $2,321,000 of the Puget sound capital construction account—federal appropriation are provided solely for development of a terminal wait times information system (998609A).

(8) For the 2025-2027 fiscal biennium, the marine division shall provide to the office of financial management and the transportation committees of the legislature a report for ferry capital projects in a manner consistent with past practices as specified in section 308, chapter 186, Laws of 2022.

(9) $84,314,000 of the carbon emissions reduction account—state appropriation and $108,932,000 of the Puget Sound capital construction account—state appropriation are provided solely for terminal electrification (L1000341).

(10) The connecting Washington account—state appropriation includes up to $6,886,000 in proceeds from the sale of bonds authorized in RCW 47.10.889.

(11) The office of financial management may authorize, through an appropriation modification, reductions in the amounts that are provided solely for a particular purpose within this section subject to the following conditions and limitations:

(a) The department must confirm that any modification requested under this subsection of amounts provided solely for a specific purpose are not expected to be used for that purpose in this fiscal biennium;

(b) Appropriation modifications authorized under this subsection may not result in increased funding for any project beyond the amount provided for that project in the 2025-2027 fiscal biennium in OFM Transportation Document 2025-1: Proposed Transportation Project List as developed December 17, 2024;

(c) Appropriation modifications authorized under this subsection apply only to amounts appropriated in this section from the following accounts: Connecting Washington account—state and move ahead WA account—state; and

(d) The office of financial management must provide notice of appropriation modifications authorized under this subsection within 10 working days to the transportation committees of the legislature. By December 1, 2025, and December 1, 2026, the department must submit a report to the transportation committees of the legislature regarding the actions taken to date under this subsection.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—CAPITAL**

Carbon Emissions Reduction Account—State

Appropriation $53,749,000

Essential Rail Assistance Account—State

Appropriation $1,518,000

Motor Vehicle Account—State Appropriation $316,000

Motor Vehicle Fund—Private/Local Appropriation $326,000

Move Ahead WA Flexible Account—State Appropriation $18,731,000

Transportation Infrastructure Account—State

Appropriation $6,082,000

Multimodal Transportation Account—State

Appropriation $77,432,000

Multimodal Transportation Account—Federal

Appropriation $88,050,000

TOTAL APPROPRIATION $246,204,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in OFM Transportation Document 2025-1: Proposed Transportation Project List - Rail Program (Y) as developed December 17, 2024.

(2) $1,500,000 of the transportation infrastructure account—state appropriation is provided solely for new low-interest loans approved by the department through the freight rail investment bank (FRIB) program. The department shall issue FRIB program loans with a repayment period of no more than 15 years, and charge only so much interest as is necessary to recoup the department's costs to administer the loans. The department shall report annually to the transportation committees of the legislature and the office of financial management on all FRIB loans issued.

(3) $5,000,000 of the carbon emissions reduction account—state appropriation is provided solely for a low-interest loan for the Port of Longview Rail Corridor Expansion project (L1000347) to accommodate current and future port cargo-handling needs. The low-interest loan must comply with the requirements of RCW 47.76.460(2).

(4) $7,569,000 of the multimodal transportation account—state appropriation is provided solely for new statewide emergent freight rail assistance projects identified in the OFM transportation document referenced in subsection (1) of this section.

(5) The department shall issue a call for projects for the freight rail assistance program, and shall evaluate the applications in a manner consistent with past practices as specified in section 309, chapter 367, Laws of 2011. By November 15, 2025, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

(6) $5,000,000 of the carbon emissions reduction account—state appropriation is provided solely for state match contributions to support the department's application for federal grant opportunities for a new ultra high-speed ground transportation corridor (L2021074). These funds are to remain in unallotted status until federal funds are awarded. The department must provide periodic grant application updates to the transportation committees of the legislature, as well as anticipated state match estimates for successful grants.

(7) $18,731,000 of the move ahead WA flexible account—state appropriation is provided solely for rehabilitation of the Palouse River and Coulee City Railroad (L4000079).

(8) $20,845,000 of the multimodal transportation account—federal appropriation is provided solely for the rehabilitation of the Salmon Bay drawbridge (752010A) to ensure the efficient movement of freight and passenger trains.

(9) $2,931,000 of the carbon emissions reduction account—state appropriation is provided solely to fund a zero emission drayage truck demonstration project (L1000324) at Northwest Seaport Alliance facilities.

(10) $10,469,000 of the carbon emissions reduction account—state appropriation is provided solely to fund a zero emission shore power infrastructure demonstration project at Northwest Seaport Alliance facilities (L1000325). Local funds sufficient to fully fund this project must be contributed to the project, and any agreements required for the project must be secured.

(11) $2,598,000 of the carbon emissions reduction account—state appropriation is provided solely to fund the replacement of two Tacoma rail diesel-electric switcher locomotives with zero emission battery-electric switcher locomotives and to install on-site charging equipment at a Tacoma rail facility (L1000327). Local funds sufficient to fully fund this project must be contributed to the project, and any agreements required for the project must be secured.

(12) $13,240,000 of the carbon emissions reduction account—state appropriation is provided solely for port electrification competitive grants (L2021182). All public ports are eligible to receive funds under this subsection. A port seeking to use funds under this subsection to install shore power must adopt a policy that requires vessels that dock at the port facility to use shore power if such vessel is capable of using such power and when such power is available at the port facility.

(13) $693,000 of the carbon emissions reduction account—state appropriation is provided solely for the Port of Quincy Rail Infrastructure Expansion project (L1000348), an expansion of rail infrastructure within the Port of Quincy's current rail terminal and to nearby industrial zoned properties in the port district.

(14) $20,000,000 of the carbon emissions reduction account—state appropriation is provided solely for the Puyallup Tribe Port Electrification project (L1000346).

(15) 849,000 of the carbon emissions reduction account—state appropriation is provided solely for port electrification at the port of Bremerton (L1000337), which may include the purchase and installation of zero emission port shore power systems and other zero emission infrastructure, equipment, and technology.

(16) $1,219,000 of the carbon emissions reduction account—state appropriation, is provided solely for port electrification at the port of Anacortes (L1000338), which may include the purchase and installation of zero emission port shore power systems and other zero emission infrastructure, equipment, and technology.

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—CAPITAL**

Carbon Emissions Reduction Account—State

Appropriation $49,062,000

Climate Active Transportation Account—State

Appropriation $211,460,000

Freight Mobility Investment Account—State

Appropriation $17,917,000

Freight Mobility Multimodal Account—State

Appropriation $23,752,000

Highway Infrastructure Account—State Appropriation $1,152,000

Highway Infrastructure Account—Federal Appropriation

$1,500,000

Move Ahead WA Account—State Appropriation $181,200,000

Move Ahead WA Flexible Account—State Appropriation $52,500,000

Motor Vehicle Account—State Appropriation $30,100,000

Motor Vehicle Account—Federal Appropriation $106,461,000

Motor Vehicle Account—Private/Local Appropriation $75,000,000

Connecting Washington Account—State Appropriation $150,302,000

Multimodal Transportation Account—State

Appropriation $112,760,000

TOTAL APPROPRIATION $1,013,166,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in OFM Transportation Document 2025-1: Proposed Transportation Project List - Local Programs Program (Z) as developed December 17, 2024.

(2) The amounts identified in the OFM transportation document referenced under subsection (1) of this section for pedestrian safety/safe routes to school are as follows:

(a) $30,380,000 of the multimodal transportation account—state appropriation is provided solely for pedestrian and bicycle safety program projects (L2000188).

(b) $16,933,000 of the motor vehicle account—federal appropriation and $13,321,000 of the multimodal transportation account—state appropriation are provided solely for safe routes to school projects (L2000189).

(c) For future rounds of grant selection, the department must reevaluate the criteria to increase geographic diversity of jurisdictions consistent with the requirements of the healthy environment for all (HEAL) act.

(3) $17,781,000 of the multimodal transportation account—state appropriation is provided solely for connecting Washington bicycle and pedestrian projects listed in the OFM transportation document referenced in subsection (1) of this section.

(4) $35,528,000 of the motor vehicle account—federal appropriation is provided solely for acceleration of local preservation projects that ensure the reliable movement of freight on the national highway freight system (G2000100). The department will select projects as part of its update of the state freight plan, in consultation with the freight mobility strategic investment board and other stakeholders.

(5) $5,462,500 of the motor vehicle account—state appropriation is provided solely for a federal fund exchange pilot program. The pilot program will allow exchanges of federal surface transportation block grant population funding and state funds at an exchange rate of 95 cents in state funds per $1.00 in federal funds. The entirety of the appropriation in this subsection must be held in unallotted status until: Surface transportation block grant population funding has been offered to the state, the department determines that a federalized project or projects funded in section 305 or 306, chapter 472, Laws of 2023 is eligible to spend the surface transportation block grant population funding, and state funds appropriated in section 305 or 306, chapter 472, Laws of 2023 for the eligible state project or projects in an amount equal to 100 percent of the offered surface transportation block grant population funding have been placed in unallotted status. A report on the effectiveness of the exchange program, the total estimated cost of program administration, and recommendations for continuing the pilot program is due to the governor and transportation committees of the legislature by December 1, 2026.

(6) $181,200,000 of the move ahead WA account—state appropriation and $44,900,000 of the move ahead WA flexible account—state appropriation are provided solely for new move ahead WA road and highway projects listed in OFM Transportation Document 2025-1: Proposed Transportation Project List - Local Programs Program (Z) as developed December 17, 2024.

(a) For projects funded in this subsection, if the department expects to have substantial reappropriations for the 2025-2027 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that is unable to be used in the 2025-2027 fiscal biennium to advance one or more of the projects listed in OFM Transportation Document 2025-1: Proposed Transportation Project List - Local Programs Program (Z) as developed December 17, 2024, prioritizing projects first by project readiness.

(i) In instances when projects listed in the OFM transportation documents referenced in (a) of this subsection are no longer viable or have been completed, the department may recommend in its next budget submittal alternative project proposals from the local jurisdictions if the project is similar in type and scope and consistent with limitations of certain funds provided. In the event that the listed project has been completed the local jurisdictions may, rather than submitting an alternative project, instead be reimbursed in the year in which it was scheduled for documented costs incurred implementing the listed project, not in excess of the amount awarded from the funding program.

(ii) At least 10 business days before advancing or swapping a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2025-2027 fiscal biennium.

(b) Of the amounts provided in this subsection, $21,400,000 of the move ahead WA account—state appropriation is provided solely for three roundabouts to be constructed on state route number 507 in partnership with local authorities. The roundabout at Vail is with Thurston county, the roundabout at Bald Hills is with the city of Yelm, and the roundabout at state route number 702 is with Pierce county. The department is to work cooperatively with each local jurisdiction to construct these facilities within department rights-of-way. The department must provide all project predesign and design information developed to date to the local jurisdictions and have a project implementation agreement in place with each local jurisdiction within 180 calendar days of the effective date of this act. The implementation agreement may provide full control for the local authority to construct the project. Once the roundabouts are completed, the operations and maintenance of the roundabouts are the responsibility of the department. Of the amounts provided in this subsection, $6,400,000 is for the roundabout at Vail road and state route number 507.

(c) $30,000,000 of the move ahead Washington account—state appropriation is provided solely for the Columbia River Bridge Replacement/Hood River to White Salmon project (L4000046). The office of financial management shall place the amounts in this subsection in unallotted status. As funds are appropriated by the Oregon legislature, the office of financial management may release amounts provided in this subsection to match Oregon appropriations.

(7) $11,100,000 of the multimodal transportation account—state appropriation and $2,500,000 of the move ahead WA flexible account—state appropriation are provided solely for move ahead WA pedestrian and bike projects listed in OFM Transportation Document 2025-1: Proposed Transportation Project List - Local Programs Program (Z) as developed December 17, 2024. For projects funded in this subsection, if the department expects to have substantial reappropriations for the 2025-2027 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that is unable to be used in the 2025-2027 fiscal biennium to advance one or more of the projects listed in OFM Transportation Document 2025-1: Proposed Transportation Project List - Local Programs Program (Z) as developed December 17, 2024, prioritizing projects first by tier then by project readiness.

(a) In instances when projects listed in the OFM transportation document referenced in this subsection (7) of this section are no longer viable or have been completed, the department may recommend in its next budget submittal alternative project proposals from the local jurisdictions if the project is similar in type and scope and consistent with limitations of certain funds provided. In the event that the listed project has been completed the local jurisdictions may, rather than submitting an alternative project, instead be reimbursed in the year in which it was scheduled for documented costs incurred implementing the listed project, not in excess of the amount awarded from the funding program.

(b) At least 10 business days before advancing or swapping a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2025-2027 fiscal biennium.

(8) $27,200,000 of the climate active transportation account—state appropriation is provided solely for the statewide school-based bicycle education grant program (L1000309). The department may partner with a statewide nonprofit to deliver programs.

(9) The Sandy Williams connecting communities pilot program must prioritize historically marginalized or overburdened communities. The department may consult with the Cooper Jones active transportation safety council to identify geographic locations where there are high incidences of serious injuries and fatalities of active transportation users among vulnerable populations.

(10) $23,000,000 of the carbon emissions reduction account—state appropriation is provided solely for the Guemes Ferry Boat Replacement project (L4000124).

(11) $5,100,000 of the move ahead WA flexible account—state appropriation is provided solely for development of an applied sustainable aviation evaluation center (L2021135). Snohomish county, in partnership with Washington State University, shall plan and establish facilities to evaluate, qualify or certify, and research technologies that can minimize the impact of aviation on human health and the environment. Funds may be used for, but are not limited to, planning, construction, and land acquisition for sustainable aviation fuel (SAF) qualification testing (ASTM D4054), research on the impact of SAF on the environment and human health, and SAF storage for the purpose of advancing sustainable aviation. At a minimum, three sustainable aviation platforms must be considered:

(a) Sustainable aviation fuel (SAF);

(b) Hydrogen; and

(c) Battery electric energy storage mechanisms.

(12) $10,000 of the multimodal transportation account—state appropriation is provided solely for the Seattle office of planning and community development to update and add to the 2020 I-5 Lid Feasibility Study with additional test cases with ramp changes and removals in downtown Seattle and alternative assumptions with regards to parking, expansion of Freeway Park, affordable housing, and commercial real estate (L2021140). The Seattle office of planning and community development shall conduct ongoing community engagement with underrepresented constituencies to support the technical work of this study and raise public awareness of opportunities of I-5 lids. Focus should be given to low-income households living and working in the I-5 lid study areas in central Seattle.

(13) $500,000 of the multimodal transportation account—state appropriation is provided solely for the department to award grants to local jurisdictions to implement network-wide traffic conflict screening programs using video analytics in controlled intersections with a disproportionate number of traffic violations and injuries to active transportation users (L2021149). Grants must be awarded proportionally across the state and include controlled intersections in both urban and rural environments and along state highways and county roads. Grant recipients must report back to the department all traffic violation and active transportation facility data acquired during the grant period and provide the department with appropriate next steps for the state and the local jurisdiction to improve traffic safety for active transportation users in such intersections. The department must report such findings and recommendations to the transportation committees of the legislature by December 1, 2026.

(14)(a)(i) $10,568,000 of the carbon emissions reduction account—state appropriation is provided solely for the department to establish a program for providing rebates to qualifying persons who purchase e-bikes and qualifying equipment and services from a qualifying retailer. Of this amount, $4,000,000 is for rebate amounts as described under (a)(iii)(A) of this subsection, and $3,000,000 is for rebate amounts as described under (a)(iii)(B) of this subsection.

(ii) To qualify for and use the rebate under this subsection, a person must be a resident of Washington state and purchase an e-bike and qualifying equipment and services, if any, from a qualifying retailer in this state. Qualifying equipment and services must be purchased as part of the same transaction as the e-bike.

(iii)(A) For persons who are at least 16 years of age and reside in households with incomes at or below 80 percent of the county area median income, the amount of the rebate is up to $1,200 on the sale of an e-bike and any qualifying equipment and services.

(B) For all other persons who are at least 16 years of age, the amount of the rebate is up to $300 on the sale of an e-bike and any qualifying equipment and services.

(C) No more than one rebate may be awarded per household.

(iv)(A) The department must establish application procedures for e-bike retailers to participate in the rebate program, and application and award procedures for applicants to participate in the program. If an applicant qualifies for a rebate amount and there is sufficient funds to award the applicant with the appropriate rebate amount, the department must provide the qualifying individual the rebate amount in a format that can be redeemed at the time of purchase at a qualifying retailer.

(B) An applicant must provide contact information, including a physical address, email address, and phone number, and demographic information, including the applicant's age, gender, race, and ethnicity, to the department on a form provided by the department at the time of applying for the rebate. The department may share or provide access to such information with the University of Washington to provide the University of Washington an opportunity to ask program applicants and recipients to fill out a survey collecting information only to the extent to inform its report described under (c) of this subsection.

(v) A qualifying retailer must register with the department before participating in the rebate program. A qualifying retailer must:

(A) Verify the identity of the qualifying individual at the time of purchase; and

(B) Calculate and apply the rebate at the time of purchase.

(vi) The department must reimburse a qualifying retailer that accepts a rebate from a qualifying individual no later than 30 days after the rebate is redeemed.

(vii) For purposes of this subsection (14)(a):

(A) "E-bike" means an electric assisted bicycle as defined in RCW 46.04.169, but does not include mountain bikes.

(B) "Qualifying equipment and services" means a bicycle helmet, safety vest, bicycle light, or bicycle lock, and any maintenance or other services agreed upon by the qualifying retailer and qualifying individual at the time of purchase.

(C) "Qualifying retailer" means a retail business establishment with one or more physical retail locations in this state that provides on-site e-bike sales, service, and repair and has registered with the department to participate in the rebate program established under this subsection.

(b) Of the amounts provided in this subsection (14), $3,568,000 of the carbon emissions reduction account—state appropriation is provided solely for the department to establish an e-bike lending library and ownership grant program. The department may accept grant applications from other state entities, local governments, and tribes that administer or plan to administer an e-bike lending library or ownership program for their employees for commute trip reduction purposes. The department may also accept grant applications from nonprofit organizations or tribal governments that serve persons who are low-income or reside in overburdened communities and that administer or plan to administer an e-bike lending library or ownership program for qualifying persons. Grant recipients must report program information and participation data to the University of Washington to inform its report described under (c) of this subsection.

(c) Of the amounts provided in this subsection (14), $90,000 is for the department to contract with the University of Washington's sustainable transportation lab to publish a general policy brief that provides innovative e-bike rebate and lending library or ownership grant program models and recommendations, a report on survey results based on data and demographic information collected under the e-bike rebate program established in (a) of this subsection, and a report on program information and data collected under the e-bike lending library and ownership grant program established in (b) of this subsection. An initial brief and report must be submitted to the transportation committees of the legislature by July 1, 2024, with the final policy brief and report due to the transportation committees of the legislature by July 1, 2025.

(d) The department may not collect more than five percent of appropriated amounts to administer the programs under (a) and (b) of this subsection.

(15) $17,917,000 of the freight mobility investment account—state appropriation and $23,752,000 of the freight mobility multimodal account—state appropriation are provided solely for freight mobility strategic investment board projects listed in the OFM transportation document referenced in subsection (1) of this section.

(16) $2,490,000 of the motor vehicle account—state appropriation is provided solely for matching funds for federal funds to reconstruct Grant county and Adams county bridges as part of the Odessa groundwater replacement program (L1000322).

(17) $38,190,000 of the connecting Washington account—state appropriation is provided solely for the Aberdeen US 12 Highway-Rail Separation project (L1000331).

(18) The office of financial management may authorize, through an appropriation modification, reductions in the amounts that are provided solely for a particular purpose within this section subject to the following conditions and limitations:

(a) The department must confirm that any modification requested under this subsection of amounts provided solely for a specific purpose are not expected to be used for that purpose in this fiscal biennium;

(b) Appropriation modifications authorized under this subsection may not result in increased funding for any project beyond the amount provided for that project in the 2025-2027 fiscal biennium in OFM Transportation Document 2025-1: Proposed Transportation Project List as developed December 17, 2024;

(c) Appropriation modifications authorized under this subsection apply only to amounts appropriated in this section from the following accounts: Connecting Washington account—state, and move ahead WA account—state; and

(d) The office of financial management must provide notice of appropriation modifications authorized under this subsection within 10 working days to the transportation committees of the legislature. By December 1, 2025, and December 1, 2026, the department must submit a report to the transportation committees of the legislature regarding the actions taken to date under this subsection.

(19) $3,000,000 of the multimodal transportation account—state appropriation is provided solely for the department to assist local jurisdictions in addressing emergent issues related to safety for pedestrians and bicyclists (LXXXPBF). Funds may only be spent after approval from the office of financial management. By December 15th of each odd-numbered year, the department shall provide a report to the legislature listing all emergent issues addressed in the prior fiscal biennium. Reporting may be done in conjunction with the transportation operations division.

(20) $9,350,000 of the carbon emissions reduction account—state appropriation is provided solely for the following projects identified in OFM Transportation Document 2025-1: Proposed Transportation Project List as developed December 17, 2024:

(a) North Broadway Pedestrian Bridge (L2021082); and

(b) SR 520 & 148th NE Bicycle/Pedestrian Crossing (L2021047).

NEW SECTION. **Sec.**  **ANNUAL REPORTING REQUIREMENTS FOR CAPITAL PROGRAM**

As part of its annual budget submittal, the department of transportation shall provide an update to the report provided to the legislature in the prior fiscal year in a manner consistent with past practices as specified in section 312, chapter 333, Laws of 2021.

NEW SECTION. **Sec.**  **QUARTERLY REPORTING REQUIREMENTS FOR CAPITAL PROGRAM**

On a quarterly basis, the department of transportation shall provide to the office of financial management and the legislative transportation committees a report for all capital projects in a manner consistent with past practices as specified in section 313, chapter 186, Laws of 2022.

NEW SECTION. **Sec.**  **NOTIFICATION REQUIREMENTS FOR PAUSES AND CANCELLATIONS**

(1) The department of transportation shall notify the transportation committees of the legislature when it intends to pause for a significant length of time or not proceed with operating items or capital projects included as budget provisos or on project lists. When feasible, this notification shall be provided prior to the pause or cancellation and at least seven days in advance of any public announcement related to such a pause or cancellation.

(2) At the time of notification, the department shall provide an explanation for the reason or reasons for the pause or cancellation for each operating budget item and capital project. The explanation shall include specific reasons for each pause or cancellation, in addition to a statement of the broad rationale for the pause or cancellation.

(3) When feasible, the department shall make best efforts to keep the transportation committees of the legislature informed of an evaluation process underway for selecting operating budget items and capital projects to be paused or canceled, providing updates as its selection efforts proceed.

(4) When exigent circumstances prevent prior notice of a pause or cancellation from being provided to the transportation committees of the legislature, the department shall provide the information required under this section to the transportation committees of the legislature as soon as is practicable.

NEW SECTION. **Sec.**  **FOR THE WASHINGTON STATE DEPARTMENT OF TRANSPORTATION—FUNDS MANAGEMENT**

As part of the department's 2026 supplemental and 2027-2029 biennial budget requests, the department shall also report on:

(1) The federal grant programs it has applied for; and

(2) The federal competitive grant programs it could have applied for but did not and the reason or reasons it did not apply.

**TRANSFERS AND DISTRIBUTIONS**

NEW SECTION. **Sec.**  **FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND TRANSPORTATION FUND REVENUE**

Transportation Partnership Account—State

Appropriation $4,344,000

Connecting Washington Account—State Appropriation $10,016,000

Puget Sound Gateway Facility Account—State

Appropriation $404,000

Highway Bond Retirement Account—State

Appropriation $1,714,649,000

Transportation Improvement Board Bond Retirement

Account—State Appropriation $5,619,000

Nondebt-Limit Reimbursable Bond Retirement Account—

State Appropriation $28,249,000

Toll Facility Bond Retirement Account—State

Appropriation $84,516,000

I-405 and SR-167 Express Toll Lanes Account—State

Appropriation $1,680,000

TOTAL APPROPRIATION $1,849,477,000

NEW SECTION. **Sec.**  **FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES**

Transportation Partnership Account—State

Appropriation $872,000

Connecting Washington Account—State Appropriation $2,004,000

Puget Sound Gateway Facility Account—State

Appropriation $84,000

I-405 and SR-167 Express Toll Lanes Account—State

Appropriation $336,000

TOTAL APPROPRIATION $3,296,000

NEW SECTION. **Sec.**  **FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION**

Motor Vehicle Account—State Appropriation: For motor

vehicle fuel tax statutory distributions to

cities and counties $424,299,000

Multimodal Transportation Account—State

Appropriation: For distribution to cities and

counties $26,786,000

Motor Vehicle Account—State Appropriation: For

distribution to cities and counties $23,438,000

TOTAL APPROPRIATION $474,523,000

NEW SECTION. **Sec.**  **FOR THE STATE TREASURER—TRANSFERS**

Motor Vehicle Account—State Appropriation: For motor

vehicle fuel tax refunds and statutory

transfers $1,810,396,000

NEW SECTION. **Sec.**  **FOR THE DEPARTMENT OF LICENSING—TRANSFERS**

Motor Vehicle Account—State Appropriation: For motor

vehicle fuel tax refunds and transfers $230,583,000

NEW SECTION. **Sec.**  **FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS**

(1) Transportation Partnership Account—State

appropriation for transfer to the Motor Vehicle

Account—State $33,179,000

(2)(a) Transportation Partnership Account—State

Appropriation: For transfer to the Tacoma Narrows Toll

Bridge Account—State $15,999,000

(b) It is the intent of the legislature that this transfer is temporary, for the purpose of minimizing the impact of toll increases. An equivalent reimbursing transfer is to occur after the debt service and deferred sales tax on the Tacoma Narrows bridge construction costs are fully repaid in accordance with chapter 195, Laws of 2018.

(3) Highway Safety Account—State Appropriation:

For transfer to the State Patrol Highway Account—State $50,468,000

(4) Motor Vehicle Account—State Appropriation:

For transfer to the County Arterial Preservation

Account—State $4,844,000

(5) Motor Vehicle Account—State Appropriation:

For transfer to the Freight Mobility Investment

Account—State $8,511,000

(6) Motor Vehicle Account—State Appropriation:

For transfer to the Rural Arterial Trust Account—State $4,844,000

(7) Motor Vehicle Account—State Appropriation:

For transfer to the Transportation Improvement

Account—State $9,688,000

(8) Puget Sound Ferry Operations Account—State

Appropriation: For transfer to the Puget Sound Capital

Construction Account—State $115,315,000

(9)(a) State Route Number 520 Civil Penalties

Account—State Appropriation: For transfer to the Motor

Vehicle Account—State $1,000,000

(b) The transfer in this subsection is to repay moneys loaned to the state route number 520 civil penalties account in the 2019-2021 fiscal biennium.

(10) State Route Number 520 Civil Penalties Account—State

Appropriation: For transfer to the State Route Number 520

Corridor Account—State $1,752,000

(11)(a) Capital Vessel Replacement Account—State

Appropriation: For transfer to the Connecting Washington

Account—State $3,761,000

(b) It is the intent of the legislature that this transfer is temporary, for the purpose of minimizing the use of bonding in the connecting Washington account.

(12) Capital Vessel Replacement Account—State

Appropriation: For transfer to the Transportation

Partnership Account—State $25,000,000

(13) Connecting Washington Account—State

Appropriation: For transfer to the Motor Vehicle

Account—State $1,424,000

(14) Connecting Washington Account—State

Appropriation: For transfer to the Move Ahead Washington

Account—State $320,000,000

(15) Multimodal Transportation Account—State

Appropriation: For transfer to the Complete Streets Grant

Program Account—State $14,670,000

(16) Multimodal Transportation Account—State

Appropriation: For transfer to the Freight Mobility

Multimodal Account—State $8,511,000

(17) Multimodal Transportation Account—State

Appropriation: For transfer to the Motor Vehicle

Account—State $13,384,000

(18) Multimodal Transportation Account—State

Appropriation: For transfer to the Puget Sound Capital

Construction Account—State $191,876,000

(19) Multimodal Transportation Account—State

Appropriation: For transfer to the Regional Mobility

Grant Program Account—State $27,679,000

(20) Multimodal Transportation Account—State

Appropriation: For transfer to the Rural Mobility Grant

Program Account—State $12,223,000

(21) Multimodal Transportation Account—State

Appropriation: For transfer to the State Patrol Highway

Account—State $21,739,000

(22) Carbon Emissions Reduction Account—State

Appropriation: For transfer to the Puget Sound Ferry

Operations Account—State $4,200,000

(23) Move Ahead WA Account—State Appropriation:

For transfer to the Motor Vehicle Account—State $116,607,000

(24) Move Ahead WA Account—State Appropriation:

For transfer to the Puget Sound Ferry Operations

Account—State $287,368,000

(25) Move Ahead WA Account—State Appropriation:

For transfer to the State Patrol Highway

Account—State $190,517,000

(26) Move Ahead WA Flexible Account—State

Appropriation: For transfer to the Move Ahead WA

Account—State $180,002,000

(27) Alaskan Way Viaduct Replacement Project

Account—State Appropriation: For transfer to the Motor

Vehicle Account—State $5,992,000

(28) Transportation 2003 Account (Nickel Account)—State

Appropriation: For transfer to the Puget Sound Capital

Construction Account—State $8,906,000

NEW SECTION. **Sec.**  **FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR TPA BONDS AND TRANSFERS**

(1) Transportation Partnership Account—State

Appropriation: For transfer to the Capital Vessel Replacement

Account $155,406,000

The department of transportation is authorized to sell up to $155,406,000 in bonds authorized by RCW 47.10.873 for projects or improvements that are identified as 2005 transportation partnership projects or improvements.

(2) Transportation Partnership Account—State

Appropriation: For transfer to the Move Ahead WA

Account $708,000,000

The department of transportation is authorized to sell up to $708,000,000 in bonds authorized by RCW 47.10.873 for projects or improvements that are identified as 2005 transportation partnership projects or improvements.

NEW SECTION. **Sec.**  **FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT TO BE PAID BY STATUTORILY PRESCRIBED REVENUE**

Toll Facility Bond Retirement Account—State

Appropriation $25,372,000

NEW SECTION. **Sec.**  **COMPENSATION AND BENEFITS**

Motor Vehicle Account—State Appropriation $44,000

The appropriation in this section is subject to the following conditions and limitations: Funding is provided for compensation and benefits for legislative branch agencies, as shown in OFM Transportation Document 2025-2 as developed December 17, 2024.

NEW SECTION. **Sec.**  **CENTRAL SERVICE CHARGES**

Motor Vehicle Account—State Appropriation $10,000

The appropriation in this section is subject to the following conditions and limitations: Funding is provided for central service charges for legislative branch agencies, as shown in OFM Transportation Document 2025-3 as developed December 17, 2024.

**COMPENSATION**

NEW SECTION. **Sec.**  **COLLECTIVE BARGAINING AGREEMENTS NOT IMPAIRED**

Nothing in this act prohibits the expenditure of any funds by an agency or institution of the state for benefits guaranteed by any collective bargaining agreement in effect on the effective date of this section.

NEW SECTION. **Sec.**  **COLLECTIVE BARGAINING AGREEMENTS**

In accordance with chapters 41.80, 41.56, and 47.64 RCW, agreements have been reached between the governor and employee organizations representing state employee bargaining units for the 2025-2027 fiscal biennium. Funding is provided in this act to fund these agreements. The collective bargaining agreements that have been reached and are funded in this act, and the description of the major economic terms in each of the listed agreements are specified in OFM Transportation Document 2025-4: 2025-27 Collective Bargaining Agreements as developed December 17, 2024.

NEW SECTION. **Sec.**  **COMPENSATION—REPRESENTED EMPLOYEES—HEALTH CARE—COALITION—INSURANCE BENEFITS**

An agreement was reached for the 2025-2027 fiscal biennium between the governor and the health care coalition under the provisions of chapter 41.80 RCW. Appropriations in this act for state agencies are sufficient to implement the provisions of the 2025-2027 collective bargaining agreement, which maintains the provisions of the prior agreement, and are subject to the following conditions and limitations:

(1) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed $1,315 per eligible employee for fiscal year 2026. For fiscal year 2027, the monthly employer funding rate shall not exceed $1,355 per eligible employee. These funding rates are sufficient to cover, effective January 1, 2026, the following:

(a) In the uniform medical plan, coverage for Doula services;

(b) In the uniform dental plan the following:

(i) Increasing the temporomandibular joint benefit to $1,000 annually and $5,000 per lifetime;

(ii) Eliminating the deductible for children up to age 15;

(c) Implementation of Z-0050/25 (hospital affordability).

(2) The funding rates in subsection (1) of this section are not sufficient to continue offering an Accountable Care Plan as of plan year 2026.

(3) Current funding allows for the public employees' benefits board to adjust the employer paid long-term disability benefit to a maximum monthly benefit of $450 within the current funding resources.

(4) The board shall collect a $25 per month surcharge payment from members who use tobacco products and a surcharge payment of not less than $50 per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment if directed by the legislature.

(5) The rates are sufficient to cover a diabetes management program and apply the cost-share provisions outlined in chapter 366, Laws of 2023 (breast examinations—health plan cost sharing) in the uniform medical plan, effective January 1, 2025. The rates are not sufficient to add coverage of prescription drugs for the treatment of obesity or weight loss. The authority shall not add coverage of prescription drugs for the treatment of obesity or weight loss without a specific appropriation from the legislature. Nothing in this section requires removal of any existing coverage of prescription drugs to treat diabetes.

NEW SECTION. **Sec.**  **COMPENSATION—REPRESENTED EMPLOYEES—OUTSIDE HEALTH CARE—COALITION—INSURANCE BENEFITS**

Appropriations for state agencies in this act are sufficient for represented employees outside the coalition for health benefits, and are subject to the following conditions and limitations: The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, may not exceed $1,315 per eligible employee for fiscal year 2026. For fiscal year 2027, the monthly employer funding rate may not exceed $1,355 per eligible employee.

NEW SECTION. **Sec.**  **COMPENSATION—NONREPRESENTED EMPLOYEES—INSURANCE BENEFITS**

(1) Appropriations for state agencies in this act are sufficient for nonrepresented state employee health benefits for state agencies, including institutions of higher education, and are subject to the following conditions and limitations: The employer monthly funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed $1,315 per eligible employee for fiscal year 2026. For fiscal year 2027, the monthly employer funding rate shall not exceed $1,355 per eligible employee.

(2) The rates are sufficient to cover a diabetes management program and apply the cost-share provisions outlined in chapter 366, Laws of 2023 (breast examinations—health plan cost sharing) in the uniform medical plan, effective January 1, 2025. The rates are not sufficient to add coverage of prescription drugs for the treatment of obesity or weight loss. The authority shall not add coverage of prescription drugs for the treatment of obesity or weight loss without a specific appropriation from the legislature. Nothing in this section requires removal of any existing coverage of prescription drugs to treat diabetes.

NEW SECTION. **Sec.**  **GENERAL WAGE INCREASES**

(1) Appropriations for state agency employee compensation in this act are sufficient to provide general wage increases to state agency employees and employees of institutions of higher education, who are not represented or who bargain under statutory authority other than chapter 41.80 or 47.64 RCW or RCW 41.56.473 or 41.56.475.

(2) Funding is provided for a three percent general wage increase effective July 1, 2025, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a three percent salary increase effective July 1, 2025, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(3) Funding is provided for a two percent general wage increase effective July 1, 2027, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a two percent salary increase effective July 1, 2027, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

NEW SECTION. **Sec.**  **COMPENSATION—PENSION CONTRIBUTIONS**

(1) Appropriations are adjusted to reflect changes to agency appropriations to reflect savings resulting from changes to pension funding as provided in Z-0231/25 (actuarial funding of pension systems).

(2) An increase of 0.08 percent is funded for state employer contributions to the public employees' retirement system, the public safety employees' retirement systems, and the school employees' retirement system, and an increase of 0.16 percent for employer contributions to the teachers' retirement system is funded for the provisions of Z-0229/25 (PERS/TRS 1 benefit increase). If chapter . . ., Laws of 2025 (PERS/TRS 1 benefit increase) is not enacted by June 30, 2025, this subsection has no force and effect and appropriations for school districts and state agencies, including institutions of higher education, shall be held in unallotted status.

**IMPLEMENTING PROVISIONS**

NEW SECTION. **Sec.**  **MANAGEMENT OF TRANSPORTATION FUNDS WHEN THE LEGISLATURE IS NOT IN SESSION**

(1) The 2005 transportation partnership projects or improvements, 2015 connecting Washington projects or improvements, and move ahead WA projects or improvements are listed in the OFM Transportation Document 2025-1 Proposed Transportation Project List as developed December 15, 2024, which consists of a list of specific projects by fund source and amount over multiple biennia. Current fiscal biennium funding for each project is a line-item appropriation, while the outer year funding allocations represent a 16-year plan. The department of transportation is expected to use the flexibility provided in this section to assist in the delivery and completion of all transportation partnership account, connecting Washington account, and move ahead WA account projects on the OFM transportation document referenced in this subsection. For the 2025-2027 project appropriations, unless otherwise provided in this act, the director of the office of financial management may provide written authorization for a transfer of appropriation authority between projects funded with transportation partnership account appropriations, connecting Washington account appropriations, or move ahead WA account appropriations to manage project spending and efficiently deliver all projects in the respective program under the following conditions and limitations:

(a) Transfers may only be made within each specific fund source referenced on the respective project list;

(b) Transfers from a project may not be made as a result of the reduction of the scope of a project or be made to support increases in the scope of a project;

(c) Transfers from a project may be made if the funds appropriated to the project are in excess of the amount needed in the current fiscal biennium;

(d) Transfers may not occur for projects not identified on the applicable project list;

(e) Transfers to a project may not occur if that project is a programmatic funding item described in broad general terms on the applicable project list without referencing a specific state route number;

(f) Transfers may not be made while the legislature is in session;

(g) Transfers to a project may not be made with funds designated as attributable to practical design savings as described in RCW 47.01.480;

(h) The total amount of transfers under this section may not exceed $50,000,000;

(i) Except as otherwise provided in (k) of this subsection, transfers made to a single project may not cumulatively total more than $20,000,000 per fiscal biennium;

(j) Each transfer between projects may only occur if the director of the office of financial management finds that any resulting change will not hinder the completion of the projects as approved by the legislature; and

(k) Transfers between projects may be made by the department of transportation without the formal written approval provided under this subsection (1)(k), provided that the transfer amount to a single project does not exceed $250,000 or 10 percent of the total project per fiscal biennium, whichever is less. These transfers must be reported quarterly to the director of the office of financial management and the chairs of the house of representatives and senate transportation committees.

(2) The department of transportation must submit quarterly all transfers authorized under this section in the transportation executive information system. The office of financial management must maintain a legislative baseline project list identified in the LEAP transportation documents referenced in this act, and update that project list with all authorized transfers under this section, including any effects to the total project budgets and schedules beyond the current fiscal biennium.

(3) At the time the department submits a request to transfer funds under this section, a copy of the request must be submitted to the chairs and ranking members of the transportation committees of the legislature.

(4) Before approval, the office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested transfers in a timely manner and address any concerns raised by the chairs and ranking members of the transportation committees.

(5) No fewer than 10 days after the receipt of a project transfer request, the director of the office of financial management must provide written notification to the department of any decision regarding project transfers, with copies submitted to the transportation committees of the legislature.

(6) The department must submit annually as part of its budget submittal a report detailing all transfers made pursuant to this section, including any effects to the total project budgets and schedules beyond the current fiscal biennium.

NEW SECTION. **Sec.**  **BOND REIMBURSEMENT**

To the extent that any appropriation authorizes expenditures of state funds from the motor vehicle account, special category C account, Tacoma Narrows toll bridge account, transportation 2003 account (nickel account), transportation partnership account, transportation improvement account, Puget Sound capital construction account, multimodal transportation account, state route number 520 corridor account, connecting Washington account, or other transportation capital project account in the state treasury for a state transportation program that is specified to be funded with proceeds from the sale of bonds authorized in chapter 47.10 RCW, the legislature declares that any such expenditures made before the issue date of the applicable transportation bonds for that state transportation program are intended to be reimbursed from proceeds of those transportation bonds in a maximum amount equal to the amount of such appropriation.

NEW SECTION. **Sec.**  **BELATED CLAIMS**

The agencies and institutions of the state may expend moneys appropriated in this act, upon approval of the office of financial management, for the payment of supplies and services furnished to the agency or institution in prior fiscal biennia.

NEW SECTION. **Sec.**  **REAPPROPRIATIONS REPORTING**

(1) As part of its 2025 supplemental budget submittal, the department of transportation shall provide a report to the legislature and the office of financial management that:

(a) Identifies, by capital project, the amount of state funding that has been reappropriated from the 2023-2025 fiscal biennium into the 2025-2027 fiscal biennium; and

(b) Identifies, for each project, the amount of cost savings or increases in funding that have been identified as compared to the 2021 enacted omnibus transportation appropriations act.

(2) As part of the agency request for capital programs, the department shall load reappropriations separately from funds that were assumed to be required for the 2025-2027 fiscal biennium into budgeting systems.

NEW SECTION. **Sec.**  **WEBSITE REPORTING REQUIREMENTS**

The department of transportation shall post on its website every report that is due from the department to the legislature during the 2025-2027 fiscal biennium on one web page in a manner consistent with past practices as specified in section 605, chapter 333, Laws of 2021.

NEW SECTION. **Sec.**  **TRANSIT, BICYCLE, AND PEDESTRIAN ELEMENTS REPORTING**

By November 15th of each year, the department of transportation must report on amounts expended to benefit transit, bicycle, or pedestrian elements within all connecting Washington projects in programs I, P, and Z identified in OFM Transportation Document 2025-1: Proposed Transportation Project as developed December 17, 2024, in a manner consistent with past practices as specified in section 602, chapter 186, Laws of 2022.

NEW SECTION. **Sec.**  **PROJECT SCOPE CHANGES**

(1) During the 2025-2027 fiscal biennium, while the legislature is not in session, the director of the office of financial management may approve project scope change requests to connecting Washington projects and move ahead WA projects in the highway improvements program, provided that the requests meet the criteria outlined in RCW 47.01.480 if a connecting Washington project, and are subject to the limitations in this section.

(2) At the time the department of transportation submits a request for a project scope change under this section, a copy of the request must be submitted to the transportation committees of the legislature.

(3) Before approval, the office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested project scope changes.

(4) No fewer than 10 days after the receipt of a scope change request, the director of the office of financial management must provide written notification to the department of any decision regarding project scope changes, with copies submitted to the transportation committees of the legislature.

(5) As part of its annual budget submittal, the department of transportation must report on all approved scope change requests from the prior year, including a comparison of the scope before and after the requested change.

NEW SECTION. **Sec.**  **TOLL CREDITS**

The department of transportation may provide up to $5,000,000 in toll credits to Kitsap transit for its role in delivering capital projects related to Kitsap transit public transportation services including, but not limited to, ferry service. The number of toll credits provided must be equal to, but no more than, the number sufficient to meet federal match requirements for grant funding for passenger-only ferry service, but must not exceed the amount authorized in this section.

NEW SECTION. **Sec.**  **LOCAL PARTNER COOPERATIVE AGREEMENTS**

(1) If a transportation project, where the Washington state department of transportation is the lead and the project is scheduled to be delivered or completed in the 2025-2027 fiscal biennium as shown on the OFM Transportation Document 2025-1: Proposed Transportation Project List - Highway Improvements Program (I) as developed December 17, 2024, is in jeopardy of being delayed because the department is unable to deliver or complete the project within the 2025-2027 fiscal biennium and other local jurisdictions are able to deliver or complete the work, the department must coordinate with the appropriate local jurisdictions to determine if a potential local partner is ready, willing, and able to execute delivery and completion of the project within the 2025-2027 fiscal biennium.

(2) The department must compile a list of projects under this section, including the timing under which the local partner agency can deliver or complete the projects within the 2025-2027 and 2027-2029 fiscal biennia. The department must submit the compiled list of projects to the governor and the transportation committees of the legislature by November 1, 2025.

**MISCELLANEOUS 2025-2027 FISCAL BIENNIUM**

**Sec.**  RCW 43.19.642 and 2023 c 472 s 703 are each amended to read as follows:

(1) Effective June 1, 2006, for agencies complying with the ultra-low sulfur diesel mandate of the United States environmental protection agency for on-highway diesel fuel, agencies shall use biodiesel as an additive to ultra-low sulfur diesel for lubricity, provided that the use of a lubricity additive is warranted and that the use of biodiesel is comparable in performance and cost with other available lubricity additives. The amount of biodiesel added to the ultra-low sulfur diesel fuel shall be not less than two percent.

(2) Except as provided in subsection (5) of this section, effective June 1, 2009, state agencies are required to use a minimum of 20 percent biodiesel as compared to total volume of all diesel purchases made by the agencies for the operation of the agencies' diesel‑powered vessels, vehicles, and construction equipment.

(3) All state agencies using biodiesel fuel shall, beginning on July 1, 2016, file annual reports with the department of enterprise services documenting the use of the fuel and a description of how any problems encountered were resolved.

(4) By December 1, 2009, the department of enterprise services shall:

(a) Report to the legislature on the average true price differential for biodiesel by blend and location; and

(b) Examine alternative fuel procurement methods that work to address potential market barriers for in-state biodiesel producers and report these findings to the legislature.

(5) During the ((~~2021-2023 and~~)) 2023-2025 and 2025-2027 fiscal biennia, the Washington state ferries is required to use a minimum of five percent biodiesel as compared to total volume of all diesel purchases made by the Washington state ferries for the operation of the Washington state ferries diesel-powered vessels, as long as the price of a B5 or B10 biodiesel blend does not exceed the price of conventional diesel fuel by five percent or more.

**Sec.**  RCW 46.20.745 and 2023 c 472 s 704 are each amended to read as follows:

(1) The ignition interlock device revolving account— program is created within the department to assist in covering the monetary costs of installing, removing, and leasing an ignition interlock device, and applicable licensing, for indigent persons who are required under RCW 46.20.385, 46.20.720, and 46.61.5055 to install an ignition interlock device in all vehicles owned or operated by the person. For purposes of this subsection, "indigent" has the same meaning as in RCW 10.101.010, as determined by the department. During the ((~~2021-2023 and~~)) 2023-2025 and 2025-2027 fiscal biennia, the ignition interlock device revolving account program also includes ignition interlock enforcement work conducted by the Washington state patrol.

(2) A pilot program is created within the ignition interlock device revolving account program for the purpose of monitoring compliance by persons required to use ignition interlock devices and by ignition interlock companies and vendors.

(3) The department, the state patrol, and the Washington traffic safety commission shall coordinate to establish a compliance pilot program that will target at least one county from eastern Washington and one county from western Washington, as determined by the department, state patrol, and Washington traffic safety commission.

(4) At a minimum, the compliance pilot program shall:

(a) Review the number of ignition interlock devices that are required to be installed in the targeted county and the number of ignition interlock devices actually installed;

(b) Work to identify those persons who are not complying with ignition interlock requirements or are repeatedly violating ignition interlock requirements; and

(c) Identify ways to track compliance and reduce noncompliance.

(5) As part of monitoring compliance, the Washington traffic safety commission shall also track recidivism for violations of RCW 46.61.502 and 46.61.504 by persons required to have an ignition interlock driver's license under RCW 46.20.385 and 46.20.720.

**Sec.**  RCW 46.68.060 and 2023 c 472 s 705 are each amended to read as follows:

There is hereby created in the state treasury a fund to be known as the highway safety fund to the credit of which must be deposited all moneys directed by law to be deposited therein. This fund must be used for carrying out the provisions of law relating to driver licensing, driver improvement, financial responsibility, cost of furnishing abstracts of driving records and maintaining such case records, and to carry out the purposes set forth in RCW 43.59.010, chapters 46.72 and 46.72A RCW, and RCW 47.04.410. During the ((~~2021-2023 and~~)) 2023-2025 fiscal ((~~biennia~~)) biennium, the legislature may direct the state treasurer to make transfers of moneys in the highway safety fund to the multimodal transportation account and the state patrol highway account. During the 2025-2027 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the highway safety fund to the state patrol highway account.

**Sec.**  RCW 46.68.063 and 2023 c 472 s 706 are each amended to read as follows:

The department of licensing technology improvement and data management account is created in the highway safety account. All receipts from fees collected under RCW 46.12.630(5) must be deposited into the account. Expenditures from the account may be used only for investments in technology and data management at the department. During the ((~~2021-2023 and~~)) 2023-2025 and 2025-2027 fiscal biennia, the account may also be used for responding to public records requests. Moneys in the account may be spent only after appropriation.

**Sec.**  RCW 46.68.290 and 2023 c 472 s 707 are each amended to read as follows:

(1) The transportation partnership account is hereby created in the motor vehicle account. All distributions to the account from RCW 46.68.090 must be deposited into the account. Money in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as 2005 transportation partnership projects or improvements in the omnibus transportation appropriations act, including any principal and interest on bonds authorized for the projects or improvements.

(2) The legislature finds that:

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

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

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

(3) For purposes of chapter 314, Laws of 2005:

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

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

(4) Within the authorities and duties under chapter 43.09 RCW, the state auditor shall establish criteria and protocols for performance audits. Transportation-related agencies shall be audited using criteria that include generally accepted government auditing standards as well as legislative mandates and performance objectives established by state agencies. Mandates include, but are not limited to, agency strategies, timelines, program objectives, and mission and goals as required in RCW 43.88.090.

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

(6) The audits may include:

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

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

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

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

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

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

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

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

(i) Identification and recognition of best practices;

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

(k) Evaluation of personnel systems operation and management;

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

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

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

(7) Within the authorities and duties under chapter 43.09 RCW, the state auditor must provide the preliminary performance audit reports to the audited state agency for comment. The auditor also may seek input on the preliminary report from other appropriate officials. Comments must be received within 30 days after receipt of the preliminary performance audit report unless a different time period is approved by the state auditor. The final performance audit report shall include the objectives, scope, and methodology; the audit results, including findings and recommendations; the agency's response and conclusions; and identification of best practices.

(8) The state auditor shall provide final performance audit reports to the citizens of Washington, the governor, the joint legislative audit and review committee, the appropriate legislative committees, and other appropriate officials. Final performance audit reports shall be posted on the internet.

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

The office of financial management shall require periodic progress reports from the audited agency until all resolution has occurred. The office of financial management is responsible for achieving audit resolution. The office of financial management shall annually report by December 31st the status of performance audit resolution to the appropriate legislative committees and the state auditor. The legislature shall consider the performance audit results in connection with the state budget process.

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

(10) For the period from July 1, 2005, until June 30, 2007, the amount of $4,000,000 is appropriated from the transportation partnership account to the state auditors office for the purposes of subsections (2) through (9) of this section.

(11) During the ((~~2021-2023 and~~)) 2023-2025 and 2025-2027 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the transportation partnership account to the motor vehicle account and the Tacoma Narrows toll bridge account.

**Sec.**  RCW 46.68.300 and 2024 c 310 s 603 are each amended to read as follows:

The freight mobility investment account is hereby created in the state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for freight mobility projects that have been recommended by the freight mobility strategic investment board in RCW 47.06A.020 and may include any principal and interest on bonds authorized for the projects or improvements. During the ((~~2021-2023 and~~)) 2023-2025 and 2025-2027 fiscal biennia, the expenditures from the account may also be used for the administrative expenses of the freight mobility strategic investment board.

**Sec.**  RCW 46.68.370 and 2023 c 472 s 709 are each amended to read as follows:

The license plate technology account is created in the state treasury. All receipts collected under RCW 46.17.015 must be deposited into this account. Expenditures from this account must support current and future license plate technology and systems integration upgrades for both the department and correctional industries. Moneys in the account may be spent only after appropriation. Additionally, the moneys in this account may be used to reimburse the motor vehicle ((~~account [fund]~~)) fund for any appropriation made to implement the digital license plate system. During the 2011-2013 and 2013-2015 fiscal biennia, the legislature may transfer from the license plate technology account to the highway safety fund such amounts as reflect the excess fund balance of the license plate technology account. During the ((~~2021-2023 and~~)) 2023-2025 and 2025-2027 fiscal biennia, the account may also be used for the maintenance of recently modernized information technology systems for vehicle registrations.

**Sec.**  RCW 46.68.395 and 2023 c 472 s 710 are each amended to read as follows:

(1) The connecting Washington account is created in the motor vehicle account. Moneys in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as connecting Washington projects or improvements in a transportation appropriations act, including any principal and interest on bonds authorized for the projects or improvements.

(2) Moneys in the connecting Washington account may not be expended on the state route number 99 Alaskan Way viaduct replacement project.

(3) During the 2023-2025 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the connecting Washington account to the move ahead WA account. During the 2025-2027 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the connecting Washington account to the move ahead WA account and the motor vehicle fund.

**Sec.**  RCW 46.68.490 and 2023 c 472 s 711 are each amended to read as follows:

(1) The climate active transportation account is hereby created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the following active transportation grant programs: Safe routes to schools, school-based bike program, bicycle and pedestrian grant program, complete streets grants program, and connecting communities grant program, as well as pedestrian and bicycle or other active transportation projects identified in an omnibus transportation appropriations act as move ahead WA projects.

(2) Beginning July 1, 2023, the state treasurer shall annually transfer 24 percent of the revenues accruing annually to the carbon emissions reduction account created in RCW 70A.65.240 to the climate active transportation account. This subsection does not apply during the 2023-2025 and 2025-2027 fiscal ((~~biennium~~)) biennia.

**Sec.**  RCW 46.68.500 and 2023 c 472 s 712 are each amended to read as follows:

(1) The climate transit programs account is hereby created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the following transit grant programs: Transit support grant program, tribal transit mobility grants, transit coordination grants, special needs transit grants, bus and bus facility grant program, green transit grants, and transportation demand management grants, as well as transit projects identified in an omnibus transportation appropriations act as move ahead WA projects.

(2) Beginning July 1, 2023, the state treasurer shall annually transfer 56 percent of the revenues accruing annually to the carbon emissions reduction account created in RCW 70A.65.240 to the climate transit programs account. This subsection does not apply during the 2023-2025 and 2025-2027 fiscal ((~~biennium~~)) biennia.

**Sec.**  RCW 46.68.510 and 2024 c 310 s 605 are each amended to read as follows:

The move ahead WA account is created in the motor vehicle fund. Moneys in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as move ahead WA projects or improvements in an omnibus transportation appropriations act, including any principal and interest on bonds authorized for the projects or improvements. During the 2023-2025 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys from the move ahead WA account to the motor vehicle fund. During the 2025-2027 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys from the move ahead WA account to the motor vehicle fund, the state patrol highway account, and the Puget Sound ferry operations account.

**Sec.**  RCW 47.56.876 and 2023 c 472 s 713 are each amended to read as follows:

(1) A special account to be known as the state route number 520 civil penalties account is created in the state treasury. All state route number 520 bridge replacement and HOV program civil penalties generated from the nonpayment of tolls on the state route number 520 corridor must be deposited into the account, as provided under RCW 47.56.870(4)(b)(vii). Moneys in the account may be spent only after appropriation. Expenditures from the account must be used to fund legal obligations associated with bonds and loans associated with the construction and operation of state route number 520 under circumstances where the toll revenue collections at the time are not sufficient to fully cover such legal obligations, and then may be used to fund any project within the state route number 520 bridge replacement and HOV program, including mitigation. The legislature may direct the state treasurer to make transfers of moneys in the state route number 520 civil penalties account to the state route number 520 corridor account. During the ((~~2021-2023 and~~)) 2023-2025 and 2025-2027 fiscal biennia, the legislature may direct the state treasurer to transfer moneys in the state route number 520 civil penalties account to the motor vehicle ((~~account [fund]~~)) fund.

(2) For purposes of this section, "legal obligations associated with bonds and loans" includes, but is not limited to, debt service and all other activities necessary to comply with financial covenants associated with state route number 520, costs associated with the civil penalties program, and operation and maintenance costs.

**Sec.**  RCW 47.60.315 and 2023 c 472 s 714 are each amended to read as follows:

(1) The commission shall adopt fares and pricing policies by rule, under chapter 34.05 RCW, according to the following schedule:

(a) Each year the department shall provide the commission a report of its review of fares and pricing policies, with recommendations for the revision of fares and pricing policies for the ensuing year;

(b) By September 1st of each year, beginning in 2008, the commission shall adopt by rule fares and pricing policies for the ensuing year.

(2) The commission may adopt by rule fares that are effective for more or less than one year for the purposes of transitioning to the fare schedule in subsection (1) of this section.

(3) The commission may increase ferry fares included in the schedule of charges adopted under this section by a percentage that exceeds the fiscal growth factor.

(4) The chief executive officer of the ferry system may authorize the use of promotional, discounted, and special event fares to the general public and commercial enterprises for the purpose of maximizing capacity use and the revenues collected by the ferry system. The department shall report to the commission a summary of the promotional, discounted, and special event fares offered during each fiscal year and the financial results from these activities.

(5) Fare revenues and other revenues deposited in the Puget Sound ferry operations account created in RCW 47.60.530 may not be used to support the Puget Sound capital construction account created in RCW 47.60.505, unless the support for capital is separately identified in the fare or except as provided in section 715, chapter 333, Laws of 2021 during the 2021-2023 biennium and section 716, chapter 472, Laws of 2023 during the 2023-2025 fiscal biennium.

(6) The commission may not raise fares until the fare rules contain pricing policies developed under RCW 47.60.290, or September 1, 2009, whichever is later.

(7) The commission shall impose a vessel replacement surcharge of 25 cents on every one-way and round-trip ferry fare sold, including multiride and monthly pass fares. This surcharge must be clearly indicated to ferry passengers and drivers and, if possible, on the fare media itself.

(8) Except as provided in subsection (10) of this section, beginning May 1, 2020, the commission shall impose an additional vessel replacement surcharge in an amount sufficient to fund 25 year debt service on one 144-auto hybrid vessel taking into account funds provided in chapter 417, Laws of 2019 or chapter . . . (SSB 5419), Laws of 2019. The department of transportation shall provide to the commission vessel and debt service cost estimates. Information on vessels constructed or purchased with revenue from the surcharges must be publicly posted including, but not limited to, the commission website.

(9) The vessel replacement surcharges imposed in this section may only be used for the construction or purchase of ferry vessels and to pay the principal and interest on bonds authorized for the construction or purchase of new ferry vessels.

(10) The commission shall not impose the additional vessel replacement surcharge in subsection (8) of this section if doing so would increase fares by more than 10 percent.

(11) For the 2023-2025 and 2025-2027 fiscal ((~~biennium~~)) biennia, any ferry fuel surcharge imposed by the commission may not go into effect until after the ensuing regular legislative session. If a fuel surcharge is imposed as provided under this subsection, the commission must reevaluate the need for the surcharge on at least a quarterly basis to determine if the surcharge is still needed to cover increased fuel costs, and revoke the surcharge if the determination is that the surcharge is no longer needed for this purpose.

**Sec.**  RCW 47.60.322 and 2023 c 472 s 715 are each amended to read as follows:

(1) The capital vessel replacement account is created in the motor vehicle account. All revenues generated from the vessel replacement surcharge under RCW 47.60.315(7) and service fees collected by the department of licensing or county auditor or other agent appointed by the director under RCW 46.17.040, 46.17.050, and 46.17.060 must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the construction or purchase of ferry vessels and to pay the principal and interest on bonds authorized for the construction or purchase of ferry vessels. However, expenditures from the account must first be used to support the construction or purchase, including any applicable financing costs, of a ferry vessel with a carrying capacity of at least ((~~one hundred forty-four~~)) 144 cars.

(2) The state treasurer may transfer moneys from the capital vessel replacement account to the transportation 2003 account (nickel account) for debt service on bonds issued for the construction of 144-car class ferry vessels.

(3) The legislature may transfer from the capital vessel replacement account to the connecting Washington account created under RCW 46.68.395 such amounts as reflect the excess fund balance of the capital vessel replacement account to be used for ferry terminal construction and preservation.

(4) During the ((~~2021-2023 and~~)) 2023-2025 and 2025-2027 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the capital vessel replacement account to the transportation partnership account and the connecting Washington account.

**Sec.**  RCW 47.60.530 and 2023 c 472 s 716 are each amended to read as follows:

(1) The Puget Sound ferry operations account is created in the motor vehicle account.

(2) The following funds must be deposited into the account:

(a) All moneys directed by law;

(b) All revenues generated from ferry fares; and

(c) All revenues generated from commercial advertising, concessions, parking, and leases as allowed under RCW 47.60.140.

(3) Moneys in the account may be spent only after appropriation.

(4) Expenditures from the account may be used only for the maintenance, administration, and operation of the Washington state ferry system.

(5) During the ((~~2021-2023 and~~)) 2023-2025 and 2025-2027 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the Puget Sound ferry operations account to the Puget Sound capital construction account.

**Sec.**  RCW 47.66.120 and 2024 c 104 s 1 are each amended to read as follows:

(1)(a) The department's public transportation division shall establish a green transportation capital grant program. The purpose of the grant program is to aid any transit authority in funding cost-effective capital projects to reduce the carbon intensity of the Washington transportation system, examples of which include: Electrification of vehicle fleets, including battery and fuel cell electric vehicles; modification or replacement of capital facilities in order to facilitate fleet electrification and/or hydrogen refueling; necessary upgrades to electrical transmission and distribution systems; and construction of charging and fueling stations. The department's public transportation division shall identify projects and shall submit a prioritized list of all projects requesting funding to the legislature by December 1st of each even-numbered year.

(b) The department's public transportation division shall select projects based on a competitive process that considers the following criteria:

(i) The cost-effectiveness of the reductions in carbon emissions provided by the project; and

(ii) The benefit provided to transitioning the entire state to a transportation system with lower carbon intensity.

(c) During the 2023-2025 and 2025-2027 fiscal ((~~biennium~~)) biennia, the department must incorporate principles into the grant selection process with the goal of increasing the distribution of funding to communities based on addressing environmental harms and providing environmental benefits for overburdened communities, as defined in RCW 70A.02.010, and vulnerable populations.

(2) The department's public transportation division must establish an advisory committee to assist in identifying projects under subsection (1) of this section. The advisory committee must include representatives from the department of ecology, the department of commerce, the utilities and transportation commission, and at least one transit authority.

(3) In order to receive green transportation capital grant program funding for a project, a transit authority must provide matching funding at the level deemed appropriate by the department.

(4) The department's public transportation division must report annually to the transportation committees of the legislature on the status of any grant projects funded by the program created under this section.

(5) For purposes of this section, "transit authority" means a city transit system under RCW 35.58.2721 or chapter 35.95A RCW, a county public transportation authority under chapter 36.57 RCW, a metropolitan municipal corporation transit system under chapter 36.56 RCW, a public transportation benefit area under chapter 36.57A RCW, an unincorporated transportation benefit area under RCW 36.57.100, a regional transit authority under chapter 81.112 RCW, or any special purpose district formed to operate a public transportation system.

(6) During the 2021-2023 fiscal biennium, the department may provide up to 20 percent of the total green transportation capital grant program funding for zero emissions capital transition planning projects. During the 2023-2025 and 2025-2027 fiscal ((~~biennium~~)) biennia, the department may provide up to 10 percent of the total green transportation capital grant program funding for zero emissions capital transition planning projects.

**Sec.**  RCW 47.68.090 and 2024 c 310 s 607 are each amended to read as follows:

(1) The department of transportation may make available its engineering and other technical services, with or without charge, to any municipality or person desiring them in connection with the planning, acquisition, construction, improvement, maintenance, or operation of airports or air navigation facilities.

(2)(a) The department may render financial assistance by grant or loan, or both, to the following entities out of appropriations made by the legislature for the following purposes:

(i) Any municipality or municipalities acting jointly in the planning, acquisition, construction, improvement, maintenance, or operation of an airport owned or controlled, or to be owned or controlled by such municipality or municipalities;

(ii) Any Indian tribe recognized as such by the federal government or such tribes acting jointly in the planning, acquisition, construction, improvement, maintenance, or operation of an airport, owned or controlled, or to be owned or controlled by such tribe or tribes, and to be held available for the general use of the public; or

(iii) Any person or persons acting jointly in the planning, acquisition, construction, improvement, maintenance, or operation of an airport, owned or controlled, or to be owned or controlled by such person or persons, and to be held available for the general use of the public.

(b) Such financial assistance may be furnished in connection with federal or other financial aid for the same purposes: PROVIDED, That no grant or loan, or both, shall be in excess of $750,000 for any one project: PROVIDED FURTHER, That no grant or loan, or both, shall be granted unless the municipality or municipalities acting jointly, the tribe or tribes acting jointly, or the person or persons acting jointly shall from their own funds match any funds made available by the department upon such ratio as the department may prescribe.

(c) The requirements of (b) of this subsection do not apply for projects when directed to do so by the legislature during the 2023-2025 and 2025-2027 fiscal ((~~biennium~~)) biennia in an omnibus transportation appropriations act.

(d) The department must establish, by rule, criteria for administering financial assistance to any entity.

(3) The department is authorized to act as agent of any municipality or municipalities acting jointly, any tribe or tribes acting jointly, or any person or persons acting jointly upon the request of such municipality or municipalities, tribe or tribes, or person or persons in accepting, receiving, receipting for, and disbursing federal moneys, and other moneys public or private, made available to finance, in whole or in part, the planning, acquisition, construction, improvement, maintenance, or operation of an airport or air navigation facility; and if requested by such municipality or municipalities, tribe or tribes, or person or persons, may act as its or their agent in contracting for and supervising such planning, acquisition, construction, improvement, maintenance, or operation; and all municipalities, tribes, and persons are authorized to designate the department as their agent for the foregoing purposes. The department, as principal on behalf of the state, and any municipality on its own behalf, may enter into any contracts, with each other or with the United States or with any person, which may be required in connection with a grant or loan of federal moneys for airport or air navigation facility purposes. All federal moneys accepted under this section shall be accepted and transferred or expended by the department upon such terms and conditions as are prescribed by the United States. All moneys received by the department pursuant to this section shall be deposited in the state treasury, and, unless otherwise prescribed by the authority from which such moneys were received, shall be kept in separate funds designated according to the purposes for which the moneys were made available, and held by the state in trust for such purposes. All such moneys are hereby appropriated for the purposes for which the same were made available, to be disbursed or expended in accordance with the terms and conditions upon which they were made available: PROVIDED, That any landing fee or charge imposed by any Indian tribe or tribes for the privilege of use of an airport facility planned, acquired, constructed, improved, maintained, or operated with financial assistance from the department pursuant to this section must apply equally to tribal and nontribal members: PROVIDED FURTHER, That in the event any municipality or municipalities, Indian tribe or tribes, or person or persons, or any distributor of aircraft fuel as defined by RCW 82.42.010 which operates in any airport facility which has received financial assistance pursuant to this section, fails to collect the aircraft fuel excise tax as specified in chapter 82.42 RCW, all funds or value of technical assistance given or paid to such municipality or municipalities, Indian tribe or tribes, or person or persons under the provisions of this section shall revert to the department, and shall be due and payable to the department immediately.

**Sec.**  RCW 70A.65.240 and 2022 c 182 s 101 are each amended to read as follows:

(1) The carbon emissions reduction account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account are intended to affect reductions in transportation sector carbon emissions through a variety of carbon reducing investments. These can include, but are not limited to: Transportation alternatives to single occupancy passenger vehicles; reductions in single occupancy passenger vehicle miles traveled; reductions in per mile emissions in vehicles, including through the funding of alternative fuel infrastructure and incentive programs; and emission reduction programs for freight transportation, including motor vehicles and rail, as well as for ferries and other maritime and port activities. Expenditures from the account may only be made for transportation carbon emission reducing purposes and may not be made for highway purposes authorized under the 18th Amendment of the Washington state Constitution, other than specified in this section, and shall be made in accordance with subsection (2) of this section. It is the legislature's intent that expenditures from the account used to reduce carbon emissions be made with the goal of achieving equity for communities that historically have been omitted or adversely impacted by past transportation policies and practices.

(2) Appropriations in an omnibus transportation appropriations act from the carbon emissions reduction account shall be made exclusively to fund the following activities:

(a) Active transportation;

(b) Transit programs and projects;

(c) Alternative fuel and electrification;

(d) Ferries; and

(e) Rail.

(3) During the 2025-2027 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys from the carbon emissions reduction account to the Puget Sound ferry operations account.

**Sec.**  RCW 46.68.520 and 2022 c 182 s 402 are each amended to read as follows:

The move ahead WA flexible account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for transportation projects, programs, or activities identified as move ahead WA projects, programs, or activities in an omnibus transportation appropriations act.

During the 2025-2027 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys from the move ahead WA flexible account to the move ahead WA account.

**Sec.**  RCW 46.68.280 and 2019 c 416 s 706 are each amended to read as follows:

(1) The transportation 2003 account (nickel account) is hereby created in the motor vehicle fund. Money in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as transportation 2003 projects or improvements in the omnibus transportation budget and to pay the principal and interest on the bonds authorized for transportation 2003 projects or improvements. Upon completion of the projects or improvements identified as transportation 2003 projects or improvements, moneys deposited in this account must only be used to pay the principal and interest on the bonds authorized for transportation 2003 projects or improvements, and any funds in the account in excess of the amount necessary to make the principal and interest payments may be used for maintenance on the completed projects or improvements.

(2) ((~~During the 2015-2017 fiscal biennium, the legislature may transfer from the transportation 2003 account (nickel account) to the connecting Washington account such amounts as reflect the excess fund balance of the transportation 2003 account (nickel account).~~

~~(3) During the 2017-2019 and the 2019-2021 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the transportation 2003 account (nickel account) to the connecting Washington account, the Puget Sound capital construction account, and the Tacoma Narrows toll bridge account.~~

~~(4)~~)) The "nickel account" means the transportation 2003 account.

(3) During the 2025-2027 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the transportation 2003 account (nickel account) to the Puget Sound capital construction account.

**Sec.**  RCW 82.21.030 and 2023 c 68 s 3 are each amended to read as follows:

(1)(a) A tax is imposed on the privilege of possession of hazardous substances in this state. Except as provided in (b) of this subsection, the rate of the tax is seven-tenths of one percent multiplied by the wholesale value of the substance. Moneys collected under this subsection (1)(a) must be deposited in the model toxics control capital account.

(b) For the fiscal year beginning July 1, 2019, the rate of the tax on petroleum products is $1.09 per barrel. For subsequent fiscal years, the rate of tax on petroleum products is determined pursuant to subsection (3) of this section. The tax collected under this subsection (1)(b) on petroleum products must be deposited as follows, after first depositing the tax as provided in (c) of this subsection, except that during the ((~~2021-2023~~)) 2025-2027 biennium the deposit as provided in (c) of this subsection may be prorated equally across each month of the biennium:

(i) Sixty percent to the model toxics control operating account created under RCW 70A.305.180;

(ii) Twenty-five percent to the model toxics control capital account created under RCW 70A.305.190; and

(iii) Fifteen percent to the model toxics control stormwater account created under RCW 70A.305.200.

(c) Until the beginning of the ensuing biennium after the enactment of an additive transportation funding act, $50,000,000 per biennium to the motor vehicle fund to be used exclusively for transportation stormwater activities and projects. For purposes of this subsection, "additive transportation funding act" means an act enacted after June 30, 2023, in which the combined total of new revenues deposited into the motor vehicle fund and the multimodal transportation account exceed $2,000,000,000 per biennium attributable solely to an increase in revenue from the enactment of the act.

(d) The department must compile a list of petroleum products that are not easily measured on a per barrel basis. Petroleum products identified on the list are subject to the rate under (a) of this subsection in lieu of the volumetric rate under (b) of this subsection. The list will be made in a form and manner prescribed by the department and must be made available on the department's internet website. In compiling the list, the department may accept technical assistance from persons that sell, market, or distribute petroleum products and consider any other resource the department finds useful in compiling the list.

(2) Chapter 82.32 RCW applies to the tax imposed in this chapter. The tax due dates, reporting periods, and return requirements applicable to chapter 82.04 RCW apply equally to the tax imposed in this chapter.

(3) For fiscal years beginning on or after July 1, 2020, the rate of tax on petroleum products for the previous fiscal year must be adjusted to reflect the percentage change in the implicit price deflator for nonresidential structures as published by the United States department of commerce, bureau of economic analysis for the most recent 12-month period ending December 31st of the prior year.

NEW SECTION. **Sec.**  Any agency receiving appropriations in this act from climate commitment act accounts created in RCW 70A.65.240 through 70A.65.280, must report to and coordinate with the department of ecology to track expenditures as defined and described in RCW 70A.65.300 and chapter 173-446B WAC.

**MISCELLANEOUS**

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

NEW SECTION. **Sec.**  This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

**--- END ---**