BILL REQ. #: H-2961.8/05 8th draft

ATTY/TYPIST: LL:seg

AN ACT Relating to transportation funding and appropriations; amending 2004 c 229 ss 101, 207, 208, 209, 211, 212, 213, 215, 218, 219, 220, 222, 223, 224, 225, 401, 402, 404, 405, and 406 (uncodified); amending 2003 c 360 s 218 (uncodified); adding new sections to 2003 c 360 (uncodified); 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:

2005-07 BIENNUM

NEW SECTION. Sec. 1. (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, 2007.
(2) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this act.

  (a) "Fiscal year 2006" or "FY 2006" means the fiscal year ending June 30, 2006.
  (b) "Fiscal year 2007" or "FY 2007" means the fiscal year ending June 30, 2007.
  (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.
  (f) "Reappropriation" means appropriation and, unless the context clearly provides otherwise, is subject to the relevant conditions and limitations applicable to appropriations.
  (g) "LEAP" means the legislative evaluation and accountability program committee.

GENERAL GOVERNMENT AGENCIES--OPERATING

NEW SECTION. Sec. 101. FOR THE UTILITIES AND TRANSPORTATION COMMISSION
Grade Crossing Protective Account--State Appropriation . . . $501,000

The appropriation in this section is subject to the following conditions and limitations: Per current law, funds will be transferred from the public service revolving fund's miscellaneous fees and penalties accounts to the grade crossing protection account--state as needed to implement the commission's railroad safety program.

NEW SECTION. Sec. 102. FOR THE MARINE EMPLOYEES COMMISSION
Puget Sound Ferry Operations Account--State Appropriation . . . . . . . . . . . . . . . . . . . . $383,000

The appropriation in this section is subject to the following conditions and limitations: To address its growing caseload, the marine employees commission shall develop a plan for prioritizing cases to schedule for hearings. The commission shall report back to the transportation committees of the legislature on its case prioritization plan by December 15, 2005.
NEW SECTION. Sec. 103. FOR THE STATE PARKS AND RECREATION COMMISSION
Motor Vehicle Account--State Appropriation . . . . . . . . $976,000
The appropriation in this section is subject to the following conditions and limitations: The entire appropriation in this section is provided solely for road maintenance purposes.

NEW SECTION. Sec. 104. FOR THE DEPARTMENT OF AGRICULTURE
Motor Vehicle Account--State Appropriation . . . . . . . . $320,000
The appropriation in this section is subject to the following conditions and limitations: The entire appropriation is provided solely for costs associated with the motor fuel quality program.

TRANSPORTATION AGENCIES--OPERATING

NEW SECTION. Sec. 201. FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION
Highway Safety Account--State Appropriation . . . . . . . . $2,111,000
Highway Safety Account--Federal Appropriation . . . . . $15,760,000
Bicycle/Pedestrian Account--State Appropriation . . . . . $40,000
School Zone Safety Account--State Appropriation . . . . . $3,300,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . . $21,211,000

NEW SECTION. Sec. 202. FOR THE COUNTY ROAD ADMINISTRATION BOARD
Rural Arterial Trust Account--State Appropriation . . . . . $775,000
Motor Vehicle Account--State Appropriation . . . . . . . . $1,905,000
County Arterial Preservation Account--State Appropriation . . $728,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . $3,408,000

NEW SECTION. Sec. 203. FOR THE TRANSPORTATION IMPROVEMENT BOARD
Urban Arterial Trust Account--State Appropriation . . . . . $1,520,000
Transportation Improvement Account--State Appropriation . . $1,521,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . $3,041,000

NEW SECTION. Sec. 204. FOR THE BOARD OF PILOTAGE COMMISSIONERS
Pilotage Account--State Appropriation . . . . . . . . . . . . . . $409,000
NEW SECTION. Sec. 205. FOR THE JOINT TRANSPORTATION COMMITTEE
Motor Vehicle Account--State Appropriation . . . . . . . $1,400,000

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

(1) $450,000 of the motor vehicle account--state appropriation is provided solely for the department to administer a consultant study of the long-term viability of the state's transportation financing methods and sources. The study shall be guided by a twelve-member oversight committee consisting of: (a) The chair and ranking member of the house of representatives and senate transportation committees, and one additional legislator appointed by each; (b) two members of the state transportation commission, to be appointed by the commission chair; (c) the chair of the transportation performance audit board; and (d) one member representing the office of financial management, to be appointed by the director. The secretary of the department of transportation or a designee shall serve as an ex officio nonvoting member.

(2) At a minimum, the study must examine the following: (a) The short and long-term viability of the motor fuel tax (both state and federal) as a major source of funding for transportation projects and programs; (b) the desirability and effectiveness of state-distributed transportation funds for the benefit of local units of government; (c) the potential for alternative and/or emerging sources of transportation revenues, with particular emphasis on user-based fees and charges; and (d) trends and implications of debt financing for transportation projects. The scope of work for the study may be expanded to include analysis of other financing issues relevant to the long-term viability of the state's transportation system.

(3) The findings and recommendations must be submitted to the fiscal committees of the legislature and the office of financial management by November 1, 2006.

NEW SECTION. Sec. 206. FOR THE TRANSPORTATION ACCOUNTABILITY COMMISSION
Motor Vehicle Account--State Appropriation . . . . . . . $1,870,000

NEW SECTION. Sec. 207. FOR THE TRANSPORTATION COMMISSION
Motor Vehicle Account--State Appropriation (FY 2006) . . . . $413,000
Motor Vehicle Account--State Appropriation (FY 2007) . . . . $414,000
TOTAL APPROPRIATION ........................................ $827,000

NEW SECTION. Sec. 208. FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD
Motor Vehicle Account--State Appropriation ............... $655,000

NEW SECTION. Sec. 209. FOR THE WASHINGTON STATE PATROL--FIELD OPERATIONS BUREAU
State Patrol Highway Account--State Appropriation ....... $190,636,000
State Patrol Highway Account--Federal Appropriation .... $10,412,000
State Patrol Highway Account--Private/Local Appropriation $169,000
TOTAL APPROPRIATION ........................................ $201,217,000

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

(1) The patrol shall not account for or record locally provided DUI cost reimbursement payments as expenditure credits to the state patrol highway account. The patrol shall report the amount of expected locally provided DUI cost reimbursements to the transportation committees of the senate and house of representatives by December 31 of each year.

(2) The state patrol highway account--state appropriation for DUI reimbursements shall only be spent for pursuit vehicle video cameras, datamaster DUI testing equipment, tire deflator equipment, and taser guns. The Washington state patrol prior to the issuance of any taser guns will train the troopers on using the equipment. The agency will provide a report to the transportation committees of the senate and house of representatives by December 31st of each year on the occurrences where the taser guns were utilized along with any issues that have been identified.

(3) $29,000 of the state patrol highway account--state appropriation is provided solely for the implementation of House Bill No. 1469. If House Bill No. 1469 is not enacted by June 30, 2005, this appropriation shall lapse.

NEW SECTION. Sec. 210. FOR THE WASHINGTON STATE PATROL--TECHNICAL SERVICES BUREAU
State Patrol Highway Account--State Appropriation ....... $80,277,000
State Patrol Highway Account--Private/Local...
Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . $1,994,000

TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . $82,271,000

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

(1) The Washington state patrol is instructed to work with the risk management division in the office of financial management in compiling the state patrol data for establishing the agency's risk management insurance premiums to the tort claims account. The office of financial management and the Washington state patrol will submit a report to the transportation committees of the senate and house of representatives by December 31 of each year on the number of claims, estimated claims to be paid, method of calculation, and the adjustment in the premium.

(2) The Washington state patrol fuel budget for the 2005-07 biennium is $6,228,000. This funding shall only be used for fuel and any savings due to decreased usage or fuel prices can not be used for any other purpose. This funds the Washington state patrol at an average fuel price of $1.73.

(3) The Washington state patrol pursuit vehicle budget state patrol highway account--state is $9,017,000 for the 2005-07 biennium and 360 pursuit vehicles to be purchased. This amount was transferred to this bureau in the 1999-2001 budget and legislative pursuit vehicle funding increases during the 2001-03 biennium. This funding shall only be used for the purchase of the pursuit vehicles.

(4) The Washington state patrol vehicle repair budget state patrol highway account--state is $4,900,000 for the 2005-07 biennium. This amount was transferred to this bureau in the 1999-2001 budget. This funding shall only be used for the maintenance of vehicles used for highway purposes.

(5) The Washington state patrol mission vehicle budget for the commercial vehicle and traffic investigation sections for the state patrol highway account--state is $384,000 for the 2005-07 biennium. This amount was transferred to this bureau in the 2001-03 budget. This funding shall only be used for the purchase of mission vehicles for the commercial vehicle enforcement and traffic investigations.

(6) $247,000 of the state patrol highway account--state appropriation is provided solely for the implementation of Second Substitute House Bill No. 1188. If Second Substitute House Bill No. 1188 is not enacted by June 30, 2005, this appropriation shall lapse.
NEW SECTION.  Sec. 211. FOR THE DEPARTMENT OF LICENSING--
MANAGEMENT AND SUPPORT SERVICES
Marine Fuel Tax Refund Account--State Appropriation . . . . . . . $3,000
Motorcycle Safety Education Account--State Appropriation . . . $92,000
Wildlife Account--State Appropriation . . . . . . . . . . . . . . $79,000
Highway Safety Account--State Appropriation . . . . . . . . $10,070,000
Motor Vehicle Account--State Appropriation . . . . . . . . . $6,820,000
Motor Vehicle Account--Local Appropriation . . . . . . . . . $26,000
DOL Services Account--State Appropriation . . . . . . . . . $84,000
Biometric Security Account--State Appropriation . . . . . . . $57,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . $17,231,000

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

(1) $55,000 of the highway safety account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1854. If Substitute House Bill No. 1854 is not enacted by June 30, 2005, this appropriation shall lapse.

(2) $26,000 of the motor vehicle account--local appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 2157. If Engrossed Substitute House Bill No. 2157 is not enacted by June 30, 2005, this appropriation shall lapse. If a regional transportation improvement authority is not formed by June 30, 2007, this appropriation shall revert to the motor vehicle account--local appropriation.

NEW SECTION.  Sec. 212. FOR THE DEPARTMENT OF LICENSING--
INFORMATION SERVICES
Marine Fuel Tax Refund Account--State Appropriation . . . . . . . $2,000
Motorcycle Safety Education Account--State Appropriation . . . $35,000
Wildlife Account--State Appropriation . . . . . . . . . . . . . . $101,000
Highway Safety Account--State Appropriation . . . . . . . . $20,766,000
Motor Vehicle Account--State Appropriation . . . . . . . . . $11,864,000
Motor Vehicle Account--Private/Local Appropriation . . . . $1,550,000
DOL Services Account--State Appropriation . . . . . . . . . $3,967,000
Biometric Security Account--State Appropriation . . . . . . . $4,570,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . $42,855,000

The appropriations in this section are subject to the following conditions and limitations:
(1) The department shall submit a report to the transportation committees of the legislature detailing the progress made in transitioning off of the HP 3000 system. Reports shall be made by the following dates: December 30, 2005, and each December 30 thereafter until the project is fully completed.

(2) $357,000 of the motor vehicle account--state appropriation is provided solely for the implementation of all special license plate bills introduced during the 2005 legislative session and approved by the special license plate review board. The amount provided in this subsection shall be reduced accordingly for any of those bills that are not enacted by June 30, 2005.

(3) $864,000 of the motor vehicle account--local appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 2157. If Engrossed Substitute House Bill No. 2157 is not enacted by June 30, 2005, this appropriation shall lapse. If a regional transportation improvement authority is not formed by June 30, 2007, this appropriation shall revert to the motor vehicle account--local appropriation.

(4) $186,000 of the highway safety account--local appropriation is provided solely for the implementation of Substitute Senate Bill No. 5177. If Substitute Senate Bill No. 5177 is not enacted by June 30, 2005, this appropriation shall lapse.

(5) $58,000 of the wildlife account--state appropriation is provided solely for the implementation of Engrossed Senate Bill No. 5423. If Engrossed Senate Bill No. 5423 is not enacted by June 30, 2005, this appropriation shall lapse.

NEW SECTION. Sec. 213. FOR THE DEPARTMENT OF LICENSING--VEHICLE SERVICES

Marine Fuel Tax Refund Account--State Appropriation . . . . . . . . . . . . $26,000
Wildlife Account--State Appropriation . . . . . . . . . . . . . . . . . . . . . . . $614,000
Motor Vehicle Account--State Appropriation . . . . . . . . . . . . . . . . . . . . . $49,080,000
Motor Vehicle Account--Private/Local Appropriation . . . . . . . . . . . . . . $1,364,000
DOL Services Account--State Appropriation . . . . . . . . . . . . . . . . . . . . . $1,146,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $52,230,000

(1) $247,000 of the motor vehicle account--state appropriation is provided solely for the implementation of all special license plate bills introduced during the 2005 legislative session and approved by
the special license plate review board. The amount provided in this subsection shall be reduced accordingly for any of those bills that are not enacted by June 30, 2005.

(2) $375,000 of the motor vehicle account--local appropriation is provided solely for the implementation of Engrossed Substitute House No. Bill 2157. If Engrossed Substitute House Bill No. 2157 is not enacted by June 30, 2005, this appropriation shall lapse. If a regional transportation improvement authority is not formed by June 30, 2007, this appropriation shall revert to the motor vehicle account--local appropriation.

(3) $117,000 of the motor vehicle account--local appropriation is provided solely for the implementation of Substitute Senate Bill No. 5177. If Substitute Senate Bill No. 5177 is not enacted by June 30, 2005, this appropriation shall lapse.

(4) $11,000 of the wildlife account--state appropriation is provided solely for the implementation of Engrossed Senate Bill No. 5423. If Engrossed Senate Bill No. 5423 is not enacted by June 30, 2005, this appropriation shall lapse.

(5) $11,000 of the highway safety account--state appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5513. If Engrossed Substitute Senate Bill No. 5513 is not enacted by June 30, 2005, this appropriation shall lapse.

NEW SECTION. Sec. 214. FOR THE DEPARTMENT OF LICENSING--DRIVER SERVICES

Motorcycle Safety Education Account--State Appropriation $2,998,000
Highway Safety Account--State Appropriation $83,428,000
Biometric Security Account--State Appropriation $1,514,000
TOTAL APPROPRIATION $87,940,000

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

(1) $847,000 of the highway safety account--state appropriation is provided solely for the commercial driver license program. The department shall informally report to the transportation committees of the legislature on the progress made in addressing federal audit findings and in implementing the motor carrier safety improvement act.
Reports shall be made by the following dates: November 1, 2005, and each November 1 thereafter.

(2) $412,000 of the motorcycle safety and education account--state appropriation is provided solely for the department's motorcycle safety program. The department shall informally report to the transportation committees of the legislature detailing the progress made in implementing national highway traffic safety assessment guidelines. Reports shall be made by the following dates: November 1, 2005, and each November 1 thereafter.

(3) The department of licensing, in consultation with the department of transportation and other stakeholders, shall draft legislation to bring the state into compliance with any federal legislation or rules enacted relative to identification necessary for persons crossing international borders. The department must report to the transportation committees of the legislature by December 1, 2005, on the recommended legislation for bringing the state into compliance with federal requirements.

(4) $97,000 of the highway safety account--state appropriation shall lapse if House Bill No. 1260 is enacted by June 30, 2005.

NEW SECTION. Sec. 215. FOR THE DEPARTMENT OF TRANSPORTATION--TOLL OPERATIONS AND MAINTENANCE--PROGRAM B
Tacoma Narrows Toll Bridge Account--State Appropriation . . $8,543,000

NEW SECTION. Sec. 216. FOR THE DEPARTMENT OF TRANSPORTATION--INFORMATION TECHNOLOGY--PROGRAM C
Motor Vehicle Account--State Appropriation . . . . . . . $54,659,000
Motor Vehicle Account--Federal Appropriation . . . . . . $1,964,000
Puget Sound Ferry Operations Account--State Appropriation . . . . . . . . . . . $8,371,000
Multimodal Transportation Account--State Appropriation . . $363,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . $65,357,000

The appropriations in this section are subject to the following conditions and limitations: $350,000 of the motor vehicle account--state appropriation is provided solely for a financial and capital project systems needs assessment for future automation development and enhancements. The completed assessment will identify options and shall
be presented to the transportation committees of the senate and the
house of representatives by December 31, 2005.

NEW SECTION.  Sec. 217. FOR THE DEPARTMENT OF TRANSPORTATION--
FACILITY MAINTENANCE, OPERATIONS AND CONSTRUCTION--PROGRAM D--OPERATING
Motor Vehicle Account--State Appropriation . . . . . . . . $32,630,000

NEW SECTION.  Sec. 218. FOR THE DEPARTMENT OF TRANSPORTATION--
AVIATION--PROGRAM F
Aeronautics Account--State Appropriation . . . . . . . . $5,335,000
Aeronautics Account--Federal Appropriation . . . . . . . . $2,150,000
Aircraft Search and Rescue Safety and Education
   Account--State Appropriation . . . . . . . . . . . . . . . . $262,000
   Multimodal Account--State Appropriation . . . . . . . . . $200,000
   Multimodal Account--Federal Appropriation . . . . . . . . $900,000
   TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . $8,847,000

The appropriations in this section are subject to the following
conditions and limitations:
(1) (a) $190,000 of the aeronautics account--state appropriation is
provided solely for the implementation of Substitute Senate Bill No. 5414. If Substitute Senate Bill No. 5414 is not enacted by June 30, 2005, this appropriation shall lapse.
(b) $262,000 of the aircraft search and rescue safety and education
account--state appropriation shall lapse if Substitute Senate Bill No. 5414 is enacted by June 30, 2005.
(2) $200,000 of the multimodal transportation account--state
appropriation is provided solely for implementing Engrossed Substitute Senate Bill No. 5121. If Engrossed Substitute Senate Bill No. 5121 is not enacted by June 30, 2005, or if federal fund funds are not received for the purpose of implementing Engrossed Substitute Senate Bill No. 5121, the amount provided in this subsection shall lapse.
(3) If Substitute Senate Bill No. 5414 is enacted by July 1, 2005,
then the remaining fund balance in the aircraft search and rescue,
safety, and education account shall be deposited in the state
aeronautics account.

NEW SECTION.  Sec. 219. FOR THE DEPARTMENT OF TRANSPORTATION--
PROPOSED DELIVERY MANAGEMENT AND SUPPORT--PROGRAM H

Motor Vehicle Account--State Appropriation ............... $47,106,000
Motor Vehicle Account--Federal Appropriation ............. $500,000
TOTAL APPROPRIATION ........................................... $47,606,000

The appropriations in this section are subject to the following conditions and limitations:
(1) $1,475,000 of the motor vehicle account--state appropriation is provided solely for the staffing and activities of the transportation permit efficiency and accountability committee.
(2) $300,000 of the motor vehicle account--state appropriation is provided to the department in accordance with RCW 46.68.110(2) and 46.68.120(3) and shall be used by the department solely for the purposes of providing contract services to the association of Washington cities and Washington state association of counties to implement section 2(3)(c), (5), and (6), chapter 8 (Engrossed Senate Bill No. 5279), Laws of 2003 for activities of the transportation permit efficiency and accountability committee.

NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF TRANSPORTATION--ECONOMIC PARTNERSHIPS--PROGRAM K
Motor Vehicle Account--State Appropriation ............... $1,025,000

NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF TRANSPORTATION--HIGHWAY MAINTENANCE--PROGRAM M
Motor Vehicle Account--State Appropriation ............... $290,893,000
Motor Vehicle Account--Federal Appropriation ............. $1,426,000
Motor Vehicle Account--Private/Local Appropriation ...... $4,253,000
TOTAL APPROPRIATION ........................................... $296,572,000

The appropriations in this section are subject to the following conditions and limitations:
(1) If portions of the appropriations in this section are required to fund maintenance work resulting from major disasters not covered by federal emergency funds such as fire, flooding, and major slides, supplemental appropriations must be requested to restore state funding for ongoing maintenance activities.
(2) The department shall request an unanticipated receipt for any federal moneys received for emergency snow and ice removal and shall...
place an equal amount of the motor vehicle account--state into unallotted status. This exchange shall not affect the amount of funding available for snow and ice removal.

(3) The department shall request an unanticipated receipt for any private or local funds received for reimbursements of third party damages that are in excess of the motor vehicle account--private/local appropriation.

(4) Funding is provided for maintenance on the state system to allow for a continuation of the level of service targets included in the 2003-05 biennium. In delivering the program, the department should concentrate on the following areas:

(a) Meeting or exceeding the target for structural bridge repair on a statewide basis;

(b) Eliminating the number of activities delivered in the "f" level of service at the region level;

(c) Reducing the number of activities delivered in the "d" level of service by increasing the resources directed to those activities on a statewide and region basis; and

(d) Evaluating, analyzing, and potentially redistributing resources within and among regions to provide greater consistency in delivering the program statewide and in achieving overall level of service targets.

(5) The department shall evaluate the feasibility of growing and harvesting trees utilizing portions of the right of way of state highways and interstates in order to generate moneys for transportation funding. In its evaluation, the department shall address the requirements and applicability of the Washington forest practices act, the types of trees best suited for the project, and the risks associated with it, along with any other relevant considerations. The department must report to the transportation committees of the legislature by December 1, 2005, on the options, strategies, and recommendations for growing and harvesting trees in the right of way of state highways and interstates.

(6) The department shall develop and implement a plan to improve work zone safety on a statewide basis. As part of the strategy included in the plan, the department shall fund equipment purchases using a portion of the money from the annual OTEF equipment purchasing and replacement process. The department shall also identify and
evaluate statewide equipment needs (such as work zone safety equipment) and prioritize any such needs on a statewide basis. Substitute purchasing at the statewide level, when appropriate, shall be utilized to meet those identified needs. The department must report to the transportation committees of the legislature by December 1, 2005, on the plan, and by December 1, 2006, on the status of implementing the plan.

NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF TRANSPORTATION--TRAFFIC OPERATIONS--PROGRAM Q--OPERATING

Motor Vehicle Account--State Appropriation ............... $41,234,000
Motor Vehicle Account--Federal Appropriation ............ $2,050,000
Motor Vehicle Account--Private/Local Appropriation ....... $125,000
TOTAL APPROPRIATION ........................................ $43,409,000

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

(1) The department shall synchronize all stop lights within one-half mile of each other on state highway 20 between Anacortes and Burlington at the I-5 interchange, so that a vehicle, starting from a stop at a red light and traveling at the posted speed limit, can pass through the other lights without having to stop for an additional red light.

(2) $4,400,000 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. The department shall prioritize low-cost enhancement projects on a statewide rather than regional basis. Each quarter, the department shall report to the transportation committees of the legislature on the projects implemented with this funding.

NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF TRANSPORTATION--TRANSPORTATION MANAGEMENT AND SUPPORT--PROGRAM S

Motor Vehicle Account--State Appropriation ............... $24,718,000
Motor Vehicle Account--Federal Appropriation ............ $30,000
Puget Sound Ferry Operations Account--State Appropriation ............... $1,321,000
Multimodal Transportation Account--State Appropriation .... $973,000
TOTAL APPROPRIATION ........................................ $27,042,000
NEW SECTION. Sec. 224. FOR THE DEPARTMENT OF TRANSPORTATION--
TRANSPORTATION PLANNING, DATA, AND RESEARCH--PROGRAM T
Motor Vehicle Account--State Appropriation ............ $22,378,000
Motor Vehicle Account--Federal Appropriation ........ $16,450,000
Multimodal Transportation Account--State Appropriation .. $1,694,000
Multimodal Transportation Account--Federal
  Appropriation ........................................ $2,800,000
Multimodal Transportation Account--Private/Local
  Appropriation ....................................... $100,000
Transportation 2005 Account--State Appropriation .... $5,400,000
TOTAL APPROPRIATION ................................ $48,822,000

The appropriations in this section are subject to the following
conditions and limitations:
(1) $600,000 of the multimodal transportation account--state
  appropriation and $5,400,000 of the transportation 2005 account--state
  appropriation is provided solely for implementing Engrossed Substitute
  House Bill No. 2157. $2,000,000 of this amount is to fund the tolling
  feasibility study as provided for in Engrossed Substitute House Bill
  No. 2157. This tolling study shall include an analysis of the
  feasibility of tolling state route 704 - cross base highway. If
  Engrossed Substitute House Bill No. 2157 is not enacted by June 30,
  2005, the amount provided in this subsection shall lapse. None of this
  appropriation may be used for election expenses for an election held
  before January 1, 2006.

(2) The department of transportation shall evaluate the number of
  spaces available for long-haul truck parking relative to current and
  projected future needs. The department of transportation shall also
  explore options for augmenting the number of spaces available,
  including, but not limited to, expanding state-owned rest areas or
  modifying regulations governing the use of these facilities, utilizing
  weigh stations and park and ride lots, and encouraging the expansion of
  the private sector's role. Finally, the department shall explore the
  utility of coordinating with neighboring states on long-haul truck
  parking and evaluate methodologies for alleviating any air quality
  issues relative to the issue. The department must report to the
  transportation committees of the legislature by December 1, 2005, on
  the options, strategies, and recommendations for long-haul truck
  parking.
The department shall develop and implement a plan to educate drivers about traffic roundabouts, including their purpose and proper use. The department shall work with the traffic safety commission and TVW in developing and implementing this plan in order to maximize public awareness and safety. The department must report to the transportation committees of the legislature by December 1, 2005, on the plan and implementation status of educating drivers about roundabouts.

(4) $175,000 of the motor vehicle account--state appropriation is provided to the department in accordance with RCW 46.68.110(2) and 46.68.120(3) and shall be used by the department to support the processing and analysis of the backlog of city and county collision reports by January, 2006. The amount provided in this subsection shall lapse if federal funds become available for this purpose.

NEW SECTION. Sec. 225. FOR THE DEPARTMENT OF TRANSPORTATION--CHARGES FROM OTHER AGENCIES--PROGRAM U

Motor Vehicle Account--State Appropriation . . . . . . . . . . . $45,030,000
Motor Vehicle Account--Federal Appropriation . . . . . . . . . . $400,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . $45,430,000

The appropriations in this section are subject to the following conditions and limitations:
(1) $31,749,000 of the motor vehicle fund--state appropriation is provided solely for the liabilities attributable to the department of transportation. The office of financial management must provide a detailed accounting of the revenues and expenditures of the self-insurance fund to the transportation committees of the legislature on December 31st and June 30th of each year.
(2) Payments in this section represent charges from other state agencies to the department of transportation.
   (a) FOR PAYMENT OF OFFICE OF FINANCIAL MANAGEMENT DIVISION OF RISK MANAGEMENT FEES . . . . . . . . . . . . . . $1,667,000
   (b) FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE AUDITOR . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $1,017,000
   (c) FOR PAYMENT OF COSTS OF DEPARTMENT OF GENERAL ADMINISTRATION FACILITIES AND SERVICES AND CONSOLIDATED MAIL SERVICES . . . . . . . . . . . . . . . . . . $4,049,000
   (d) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF
PERSONNEL ............................................ $3,572,000
(e) FOR PAYMENT OF SELF-INSURANCE LIABILITY
PREMIUMS AND ADMINISTRATION ...................... $31,749,000
(f) FOR PAYMENT OF THE DEPARTMENT OF GENERAL
ADMINISTRATION CAPITAL PROJECTS SURCHARGE .... $1,717,000
(g) FOR PAYMENT OF ARCHIVES AND RECORDS MANAGEMENT . $545,000
(h) FOR PAYMENT OF COSTS OF THE OFFICE OF MINORITIES
AND WOMEN BUSINESS ENTERPRISES ............... $1,114,000

NEW SECTION. Sec. 226. FOR THE DEPARTMENT OF TRANSPORTATION--
PUBLIC TRANSPORTATION--PROGRAM V
Multimodal Transportation Account--State
Appropriation ........................................ $60,060,000
Multimodal Transportation Account--Federal
Appropriation ........................................ $2,574,000
Multimodal Transportation Account--Private/Local
Appropriation ........................................ $155,000
TOTAL APPROPRIATION ............................. $62,789,000

The appropriations in this section are subject to the following
conditions and limitations:
(1) $25,000,000 of the multimodal transportation account--state
appropriation is provided solely for a grant program for special needs
transportation provided by transit agencies and nonprofit providers of
transportation.
(a) $5,500,000 of the amount provided in this subsection is
provided solely for grants to nonprofit providers of special needs
transportation. Grants for nonprofit providers shall 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) $19,500,000 of the amount provided in this subsection is
provided solely for grants to transit agencies to transport persons
with special transportation needs. To receive a grant, the transit
agency must 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
shall be pro-rated based on the amount expended for demand response
service and route deviated service in calendar year 2003 as reported in
the "Summary of Public Transportation - 2003" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions. The first $450,000 provided to King county shall be used as follows:

(i) $320,000 shall be used to provide electric buses, instead of diesel buses, for service on Capital Hill in Seattle, Washington through June 30, 2007;

(ii) $130,000 shall be used to provide training for blind individuals traveling through Rainier Valley and the greater Seattle area. The training is to include destination training and re-training due to the expected closure of the downtown bus tunnel and training on how to use the Sound Transit light rail system.

(2) Funds are provided for the rural mobility grant program as follows:

(a) $7,000,000 of the multimodal transportation account--state appropriation is provided solely for grants for those transit systems serving small cities and rural areas as identified in the Summary of Public Transportation - 2003 published by the department of transportation. Noncompetitive grants must be distributed to the transit systems serving small cities and rural areas in a manner similar to past disparity equalization programs.

(b) $7,000,000 of the multimodal transportation account--state appropriation is provided solely to providers of rural mobility service in areas not served or underserved by transit agencies through a competitive grant process.

(3) $5,000,000 of the multimodal transportation account--state appropriation is provided solely for a vanpool grant program for: (a) Public transit agencies to add vanpools; and (b) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; no operating costs for public transit agencies are eligible for funding under this grant program. No additional employees may be hired for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. Additional criteria for selecting grants will include leveraging funds other than state funds.

(4) $3,000,000 of the multimodal transportation account--state appropriation is provided to the city of Seattle for the Seattle streetcar project on South Lake Union.
$2,000,000 of the multimodal transportation account--state appropriation is provided solely to King county as a state match to obtain federal funding for a car sharing program for persons meeting certain income or employment criteria.

$1,200,000 of the multimodal transportation account--state appropriation is provided solely for the implementation of Substitute House Bill No. 2124. If Substitute House Bill No. 2124 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

The regional mobility steering committee created in Substitute House Bill No. 2124 (state role in public transportation) shall establish a program for granting state funds to transit agencies for intercounty connections, rush hour service, van pools, and capital projects, including park and ride lots. The steering committee shall identify cost-effective projects that enhance the efficiency of regional corridors, reducing delay for people and goods, and submit a prioritized list to the legislature for funding.

NEW SECTION. Sec. 227. FOR THE DEPARTMENT OF TRANSPORTATION--MARINE--PROGRAM X

Puget Sound Ferry Operations Account--State

Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $346,522,000

Multimodal Transportation Account--State

Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $3,660,000

TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $350,182,000

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

(1) The appropriation is based on the budgeted expenditure of $57,928,000 for vessel operating fuel in the 2003-2005 biennium. If the actual cost of fuel is less than this budgeted amount, the excess amount may not be expended. If the actual cost exceeds this amount, the department shall request a supplemental appropriation.

(2) The appropriation provides for the compensation of ferry employees. The expenditures for compensation paid to ferry employees during the 2005-2007 biennium may not exceed $216,213,000 plus a dollar amount, as prescribed by the office of financial management, that is equal to any insurance benefit increase granted general government employees in excess of $584.58 a month annualized per eligible marine employee multiplied by the number of eligible marine employees for...
fiscal year 2006 and $584.58 a month annualized per eligible marine
employee multiplied by the number of eligible marine employees for
fiscal year 2007, a dollar amount as prescribed by the office of
financial management for costs associated with pension amortization
charges, and a dollar amount prescribed by the office of financial
management for salary increases during the 2005-2007 biennium. For the
purposes of this section, the expenditures for compensation paid to
ferry employees shall be limited to salaries and wages and employee
benefits as defined in the office of financial management's policies,
regulations, and procedures named under objects of expenditure "A" and
"B" (7.2.6.2).

The prescribed salary increase or decrease dollar amount that shall
be allocated from the governor's compensation appropriations is in
addition to the appropriation contained in this section and may be used
to increase or decrease compensation costs, effective July 1, 2005, and
thereafter, as established in sections 501 and 502 of this act.

(3) $3,660,000 of the multimodal transportation account--state
appropriation is provided solely to provide passenger-only ferry
service. The ferry system shall continue passenger-only ferry service
from Vashon Island to Seattle through December 31, 2006. Beginning
September 1, 2005, ferry system management shall implement its
agreement with the Inlandboatmen's Union of the Pacific providing for
part-time passenger-only work schedules. Beginning on January 1, 2007,
Washington state ferries shall begin passenger-only ferry service on
the "Triangle" route, connecting Southworth, Vashon and Seattle.

(4) The Washington state ferries must work with the department's
information technology division to implement a new revenue collection
system, including the integration of the regional fare coordination
system (smart card). Each December and June, updates are to be
provided to the transportation committees of the legislature concerning
the status of implementing and completing this project, with updates
concluding the first December after full project implementation.

NEW SECTION. Sec. 228. FOR THE DEPARTMENT OF TRANSPORTATION--
RAIL--PROGRAM Y--OPERATING
Multimodal Transportation Account--State
Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $37,309,000
The appropriation in this section is subject to the following conditions and limitations:

(1) $29,091,000 of the multimodal transportation account--state appropriation is provided solely for the Amtrak service contract and Talgo maintenance contract associated with providing and maintaining the state-supported passenger rail service.

(2) $2,750,000 of the multimodal transportation account--state appropriation is provided solely for a new round trip rail service between Seattle and Portland beginning July 1, 2006.

NEW SECTION. Sec. 229. FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--OPERATING
Motor Vehicle Account--State Appropriation . . . . . . . . $7,016,000
Motor Vehicle Account--Federal Appropriation . . . . . . $2,544,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . $9,560,000

GENERAL GOVERNMENT AGENCIES--CAPITAL

NEW SECTION. Sec. 230. FOR THE WASHINGTON STATE PARKS AND RECREATION--CAPITAL PROJECTS
Motor Vehicle Account--State Appropriation . . . . . . . . $1,300,000

The appropriation in this section is subject to the following conditions and limitations: The motor vehicle account--state appropriation is a one-time appropriation and is provided solely for the SR 14 interchange portion of the Beacon Rock state park entrance road project. Any of the appropriation not expended by June 30, 2007, shall revert to the motor vehicle account--state appropriation.

TRANSPORTATION AGENCIES--CAPITAL

NEW SECTION. Sec. 301. FOR THE WASHINGTON STATE PATROL
State Patrol Highway Account--State Appropriation . . . . . $2,801,000

NEW SECTION. Sec. 302. FOR THE COUNTY ROAD ADMINISTRATION BOARD
Rural Arterial Trust Account--State Appropriation . . . . . $67,933,000
Motor Vehicle Account--State Appropriation . . . . . . . . . $355,000
County Arterial Preservation Account--State Appropriation . . . . . . . . . . . . . . $30,392,000
TOTAL APPROPRIATION .......................... $98,680,000

The appropriations in this section are subject to the following conditions and limitations: $355,000 of the motor vehicle account--state appropriation is provided for county ferries as set forth in RCW 47.56.725(4).

NEW SECTION. Sec. 303. FOR THE TRANSPORTATION IMPROVEMENT BOARD
Urban Arterial Trust Account--State Appropriation ........ $99,425,000
Transportation Improvement Account--State Appropriation .................. $103,601,000
Small City Pavement and Sidewalk Account--State Appropriation ....  $2,000,000
TOTAL APPROPRIATION .......................... $205,026,000

The appropriations in this section are subject to the following conditions and limitations:
(1) The transportation improvement account--state appropriation includes $14,143,000 in proceeds from the sale of bonds authorized in RCW 47.26.500. The transportation improvement board may authorize the use of current revenues available to the agency in lieu of bond proceeds for any part of the state appropriation.
(2) $2,000,000 of the small city pavement and sidewalk account--state appropriation is provided to fund the provisions of chapter . . . , Laws of 2005 (Substitute Senate Bill No. 5775).

NEW SECTION. Sec. 304. FOR THE DEPARTMENT OF TRANSPORTATION--PROGRAM D (DEPARTMENT OF TRANSPORTATION--ONLY PROJECTS)--CAPITAL
Motor Vehicle Account--State Appropriation ............... $2,492,000

The appropriation in this section is subject to the following conditions and limitations:
(1) $602,000 of the motor vehicle account--state appropriation is provided solely for the statewide administration.
(2) $632,000 of the motor vehicle account--state appropriation is provided solely for regional minor projects.
(3) $224,000 of the motor vehicle account--state appropriation is provided solely for designing the replacement of the existing outdated maintenance facility in Ephrata.
(4) $219,000 of the motor vehicle account--state appropriation is provided solely for the designing of the northwest regional maintenance complex in Seattle.

(5) $833,000 of the motor vehicle account--state appropriation is provided solely for the Olympic region headquarters project.

(a) The department of transportation is authorized to use certificates of participation for the financing of the Olympic region project in the amount of $34,874,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW.

(b) The Washington state department of transportation may utilize the design-build process in accordance with chapter 39.10 RCW for the Olympic region project. If the design-build process is used, it may be developed in partnership with the department of general administration.

NEW SECTION. Sec. 305. FOR THE DEPARTMENT OF TRANSPORTATION--IMPROVEMENTS--PROGRAM I

Motor Vehicle Account--State Appropriation ............... $70,012,000
Motor Vehicle Account--Federal Appropriation ............. $225,513,000
Motor Vehicle Account--Private/Local Appropriation....... $31,500,000
Special Category C Account--State Appropriation......... $3,419,000
Tacoma Narrows Bridge Toll Account--State Appropriation ......... $272,329,000
Transportation 2005 Account--State Appropriation ........ $433,816,000
Transportation 2003 Account (Nickel Account)--State Appropriation ................ $1,170,576,000
TOTAL APPROPRIATION ................................... $2,207,165,000

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

(1) The motor vehicle account--state appropriation includes $42,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.843. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(2) The transportation 2003 account (nickel account)--state appropriation includes $940,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.861. The transportation commission may authorize the use of current revenues available to the department of
transportation in lieu of bond proceeds for any part of the state appropriation.

(3) The Tacoma Narrows toll bridge account--state appropriation includes $257,016,000 in proceeds from the sale of bonds authorized by RCW 47.10.843. The Tacoma Narrows toll bridge account--state appropriation includes $15,410,000 in unexpended proceeds from the January 2003 bond sale authorized in RCW 47.10.843 for the Tacoma Narrows bridge project.

(4) The transportation 2005 account--state appropriation includes $380,000,000 in proceeds from the sale of bonds authorized by House Bill No. 2311. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(5) The department shall not commence construction on any part of the SR 520 bridge project until agreements have been reached with the incorporated towns or cities that represent the communities affected by the SR 520 project. The agreements must provide reasonable assurance that no further degradation will occur to the citizens' current use and enjoyment of their properties as a result of repairs and improvements made to the SR 520 bridge and its connecting roadways. Such assurances may be achieved through engineering design choices, mitigation measures, or a combination of both.

(6) The department shall, on a quarterly basis, provide status reports to the legislature on the delivery of projects as outlined in the project lists distributed with this act, and on any additional projects for which the department has expended funds during the 2005-07 fiscal biennium. The department shall work with the transportation committees of the legislature to agree on report formatting and elements. For projects funded by new revenue in the 2003 and 2005 transportation packages, reporting elements shall include, but not be limited to, project scope, schedule, and costs. Other projects may be reported on a programmatic basis. The department shall also provide the information required under this subsection via the transportation executive information system (TEIS).

NEW SECTION. Sec. 306. FOR THE DEPARTMENT OF TRANSPORTATION--
PRESCRIPTION--PROGRAM P
Motor Vehicle Account--State Appropriation . . . . . . . . $73,625,000
Motor Vehicle Account--Federal Appropriation .......... $404,360,000
Motor Vehicle Account--Private/Local Appropriation .... $6,656,000
Transportation 2003 Account (Nickel Account)--State Appropriation ................. $10,622,000
Puyallup Tribal Settlement Account--State Appropriation . $11,000,000
Transportation 2005 Account--State Appropriation . .... $160,059,000
TOTAL APPROPRIATION ................. $666,322,000

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

(1) The motor vehicle account--state appropriation includes $530,000 in unexpended proceeds from bond sales authorized by RCW 47.10.461 and 47.10.762 for emergency purposes.

(2) The department of transportation shall continue to implement the lowest life cycle cost planning approach to pavement management throughout the state to encourage the most effective and efficient use of pavement preservation funds. Emphasis should be placed on increasing the number of roads addressed on time and reducing the number of roads past due.

(3) $11,000,000 of the Puyallup tribal settlement account--state appropriation is provided solely for mitigation costs associated with the Murray Morgan/11th Street Bridge demolition. The department may negotiate with the city of Tacoma for the purpose of transferring ownership of the Murray Morgan/11th Street Bridge to the city. The department is allowed to use the Puyallup tribal settlement account appropriation, as well as any funds appropriated in the current biennium and planned in future biennia for the demolition and mitigation for the demolition of the bridge to rehabilitate or replace the bridge, if agreed to by the city. In no event will the department's participation exceed $26,500,000 and no funds may be expended unless the city of Tacoma agrees to take ownership of the bridge in its entirety and provide that the payment of these funds extinguishes any real or implied agreements regarding future expenditures on the bridge.

(4) The department shall, on a quarterly basis, provide status reports to the legislature on the delivery of projects as outlined in the project lists distributed with this act, and on any additional projects for which the department has expended funds during the 2005-07 fiscal biennium. The department shall work with the transportation
committees of the legislature to agree on report formatting and elements. For projects funded by new revenue in the 2003 and 2005 transportation packages, reporting elements shall include, but not be limited to, project scope, schedule, and costs. Other projects may be reported on a programmatic basis. The department shall also provide the information required under this subsection via the transportation executive information system (TEIS).

NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF TRANSPORTATION--TRAFFIC OPERATIONS--PROGRAM Q--CAPITAL
Motor Vehicle Account--State Appropriation ................ $17,489,000
Motor Vehicle Account--Federal Appropriation ............... $15,068,000
Motor Vehicle Account--Local Appropriation ............... $108,000
TOTAL APPROPRIATION ........................................ $32,665,000

The appropriations in this section are subject to the following conditions and limitations: The motor vehicle account--state appropriation includes $11,010,000 for state matching funds for federally selected competitive grant or congressional earmark projects other than the commercial vehicle information systems and network. These moneys shall be placed into reserve status until such time as federal funds are secured that require a state match.

NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF TRANSPORTATION--WASHINGTON STATE FERRIES CONSTRUCTION--PROGRAM W
Puget Sound Capital Construction Account--State Appropriation ................ $159,339,000
Puget Sound Capital Construction Account--Federal Appropriation ................ $59,967,000
Puget Sound Capital Construction Account--Local Appropriation ................ $26,000
Multimodal Transportation Account--State Appropriation ................ $13,249,000
Transportation 2003 Account (Nickel Account)--State Appropriation ................ $34,987,000
TOTAL APPROPRIATION ........................................ $267,568,000

The appropriations in this section are provided for improving the Washington state ferry system, including, but not limited to, vessel
construction, major and minor vessel preservation, and terminal preservation, construction, and improvements. The appropriations in this section are subject to the following conditions and limitations:

(1) The Puget Sound capital construction account—state appropriation includes $83,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.843 for vessel and terminal acquisition, major and minor improvements, and long lead time materials acquisition for the Washington state ferries. The transportation commission may authorize the use of current revenues available to the motor vehicle account in lieu of bond proceeds for any part of the state appropriation.

(2) The multimodal transportation account—state appropriation includes $10,249,000 in proceeds from the sale of bonds authorized by RCW 47.10.843. Funding may be transferred from the multimodal transportation account to the motor vehicle account to cover the debt service on these bonds. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds from any part of the state appropriation.

(3) The department shall, on a quarterly basis, provide status reports to the legislature on the delivery of projects as outlined in the project lists distributed with this act, and on any additional projects for which the department has expended funds during the 2005-07 fiscal biennium. The department shall work with the transportation committees of the legislature to agree on report formatting and elements. For projects funded by new revenue in the 2003 and 2005 transportation packages, reporting elements shall include, but not be limited to, project scope, schedule, and costs. Other projects may be reported on a programmatic basis. The department shall also provide the information required under this subsection via the transportation executive information system (TEIS).

NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--CAPITAL

Essential Rail Assistance Account--State Appropriation . . . $250,000
Multimodal Transportation Account--State Appropriation . . $51,408,000
Multimodal Transportation Account--Federal
   Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $10,966,000
Multimodal Transportation Account--Local

Appropriation ........................................ $7,287,000

TOTAL APPROPRIATION ............................... $69,911,000

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

(1) The multimodal transportation account--state appropriation includes $33,435,000 in proceeds from the sale of bonds and $830,000 in unexpended bond proceeds authorized by RCW 47.10.867. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(2) If federal block grant funding for freight or passenger rail is received, the department shall consult with the house of representatives and senate transportation committees prior to spending the funds on additional projects.

(3) The department shall, on a quarterly basis, provide status reports to the legislature on the delivery of projects as outlined in the project lists distributed with this act, and on any additional projects for which the department has expended funds during the 2005-07 fiscal biennium. The department shall work with the transportation committees of the legislature to agree on report formatting and elements. For projects funded by new revenue in the 2003 and 2005 transportation packages, reporting elements shall include, but not be limited to, project scope, schedule, and costs. Other projects may be reported on a programmatic basis. The department shall also provide the information required under this subsection via the transportation executive information system (TEIS).

NEW SECTION. Sec. 310. FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--CAPITAL

Highway Infrastructure Account--State Appropriation ........ $207,000

Highway Infrastructure Account--Federal Appropriation ... $1,602,000

Motor Vehicle Account--State Appropriation ............... $4,402,000

Motor Vehicle Account--Federal Appropriation ............ $18,221,000

Multimodal Transportation Account--State Appropriation .. $42,463,000

Freight Mobility Investment

Account--State Appropriation ............................ $15,000,000

Transportation 2005 Account--State Appropriation ....... $770,000
The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall, on a quarterly basis, provide status reports to the legislature on the delivery of projects as outlined in the project lists distributed with this act, and on any additional projects for which the department has expended funds during the 2005-07 fiscal biennium. The department shall work with the transportation committees of the legislature to agree on report formatting and elements. For projects funded by new revenue in the 2003 and 2005 transportation packages, reporting elements shall include, but not be limited to, project scope, schedule, and costs. Other projects may be reported on a programmatic basis. The department shall also provide the information required under this subsection via the transportation executive information system (TEIS).

(2) The multimodal transportation account--state appropriation includes $6,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.867. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(3) $3,545,000 of the multimodal transportation account--state appropriation is reappropriated and provided solely to fund the multiphase cooperative project with the state of Oregon to dredge the Columbia River. The amount provided in this subsection shall lapse unless the state of Oregon appropriates a dollar-for-dollar match to fund its share of the project.

(4) $1,002,000 of the motor vehicle account--state appropriation is reappropriated and provided solely for additional traffic and pedestrian safety improvements near schools. The highways and local programs division within the department of transportation shall administer this program. 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 traffic and pedestrian safety improvement grant funds, but does not report activity on the project within one year of grant award should be reviewed by the department to determine whether the grant should be terminated. The department must promptly close out grants when projects have been completed, and identify where...
unused grant funds remain because actual project costs were lower than
estimated in the grant award. The department shall expeditiously
extend new grant awards to qualified projects when funds become
available either because grant awards have been rescinded for lack of
sufficient project activity or because completed projects returned
excess grant funds upon project closeout.

(5) The motor vehicle account--state appropriation includes
$905,000 in unexpended proceeds from the sale of bonds authorized by
RCW 47.10.843.

(6) $868,000 of the multimodal transportation account--state
appropriation is provided solely to support the safe routes to school
program.

(7) $18,221,000 of the motor vehicle account--federal appropriation
and $3,400,000 of the motor vehicle account--state appropriation are
provided solely for the local freight capital projects in progress
identified in this subsection. The specific funding listed is provided
solely for the respective projects: SR 397 Ainsworth Ave. Grade
Crossing, $5,540,000; Colville Alternate Truck Route, $2,000,000; S.
228th Street Extension and Grade Separation, $6,500,000; Duwamish
Intelligent Transportation Systems (ITS), $2,520,000; Bigelow Gulch
Road-Urban Boundary to Argonne Rd., $2,000,000; Granite Falls Alternate
Route, $1,791,000; Port of Kennewick/Piert Road, $520,000; and Pacific
Hwy. E./Port of Tacoma Road to Alexander, $750,000.

(8) $6,000,000 of the multimodal account--state appropriation is
provided solely for the local freight 'D' street grade separation
project.

TRANSFERS AND DISTRIBUTIONS

NEW SECTION. Sec. 401. 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

Highway Bond Retirement Account Appropriation . . . . . . . . . . . . $350,713,000
Nondebt-Limit Reimbursable Account Appropriation . . . . . . . . . $8,775,000
Ferry Bond Retirement Account Appropriation . . . . . . . . . $39,010,000
Transportation Improvement Board Bond Retirement

Account--State Appropriation . . . . . . . . . . . . . . . $30,899,000
Motor Vehicle Account--State Appropriation . . . . . . . . $2,562,000
Transportation Improvement Account--State Appropriation . . $105,000
Multimodal Transportation Account--State Appropriation . . $303,000
Transportation 2003 Account (Nickel Account)
  Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . $19,177,000
  TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . $451,544,000

NEW SECTION. Sec. 402. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES
Motor Vehicle Account--State Appropriation . . . . . . . . $283,000
Transportation Improvement Account--State Appropriation . . $13,000
Multimodal Transportation Account--State Appropriation . . $96,000
Transportation 2003 Account (Nickel Account)--State
  Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . $2,400,000
Transportation 2005 Account--State Appropriation . . . . $2,800,000
  TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . $5,592,000

NEW SECTION. Sec. 403. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR MVFT BONDS AND TRANSFERS
(1) Motor Vehicle Account--State Reappropriation:
  For transfer to the Tacoma Narrows toll bridge
  account . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $257,016,000
  The department of transportation is authorized to sell up to $257,016,000 in bonds authorized by RCW 47.10.843 for the Tacoma Narrows bridge project. Proceeds from the sale of the bonds shall be deposited into the motor vehicle account. The department of transportation shall inform the treasurer of the amount to be deposited.

(2) Motor Vehicle Account--State Appropriation:
  For transfer to the Puget Sound capital construction
  account . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $83,000,000
  The department of transportation is authorized to sell up to $83,000,000 in bonds authorized by RCW 47.10.843 for vessel and terminal acquisition, major and minor improvements, and long lead-time materials acquisition for the Washington state ferries.
NEW SECTION. Sec. 404. FOR THE STATE TREASURER--STATE REVENUES
FOR DISTRIBUTION

Motor Vehicle Account Appropriation for
motor vehicle fuel tax distributions to cities
and counties ........................................ $450,757,000

NEW SECTION. Sec. 405. FOR THE STATE TREASURER--TRANSFERS

Motor Vehicle Account--State
Appropriation: For motor vehicle fuel tax
refunds and transfers .............................. $820,769,000

NEW SECTION. Sec. 406. FOR THE DEPARTMENT OF TRANSPORTATION--
TRANSFERS

(1) RV Account--State Appropriation:
For transfer to the Motor Vehicle Account--State ........................ $2,000,000

(2) Motor Vehicle Account--State Appropriation:
For transfer to Puget Sound Capital Construction
Account ................................................. $70,000,000

(3) Motor Vehicle Account--State Appropriation:
For transfer to the Transportation 2005 Account ................ $31,430,000

(4) Highway Safety Account--State Appropriation:
For transfer to the Multimodal Account ...................... $21,170,000

(5) Transportation 2005 Account--State Appropriation:
For transfer to the Small City Pavement and Sidewalk
Account .............................................. $2,000,000

(6) Transportation 2005 Account--State Appropriation:
For transfer to the Transportation Improvement Account .. $5,000,000

(7) Transportation 2005 Account--State Appropriation:
For transfer to the Rural Arterial Trust Account ........ $3,000,000

(8) DOL Technology Account--State Appropriation:
For transfer to the Motor Vehicle Account ..................... $2,500,000

(9) Motor Vehicle Account--State Appropriation:
For transfer to the State Patrol Highway Account ........ $2,855,000

(10) Motor Vehicle Account--State Appropriation:
For transfer to the Nickel Account ........................ $990,000

The transfers identified in this section are subject to the
following conditions and limitations: The department of transportation
shall only transfer funds in subsection (2) of this section up to the level provided, on an as-needed basis.

NEW SECTION. Sec. 407. STATUTORY APPROPRIATIONS. In addition to the amounts appropriated in sections 101 through 408 of this act for revenue for distribution, state contributions to the law enforcement officers' and fire fighters' retirement system, and bond retirement and interest including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under any proper bond covenant made under law.

NEW SECTION. Sec. 408. The department of transportation is authorized to undertake federal advance construction projects under the provisions of 23 U.S.C. Sec. 115 in order to maintain progress in meeting approved highway construction and preservation objectives. The legislature recognizes that the use of state funds may be required to temporarily fund expenditures of the federal appropriations for the highway construction and preservation programs for federal advance construction projects prior to conversion to federal funding.

NEW SECTION. Sec. 409. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--

TRANSFERS

State Patrol Highway Account: For transfer to the department of retirement systems expense account:
For the administrative expenses of the Washington state patrol retirement system . . . . . . . . . . . . . . . . . . . . . . . $280,000

COMPENSATION

NEW SECTION. Sec. 501. EMPLOYEE SALARY COST OF LIVING ADJUSTMENT
Dedicated Funds and Accounts Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ...
solely for a 3.2% increase effective July 1, 2005, for all classified employees and state employees under the personnel system reform act of 2002. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the personnel resources board or the director of personnel, as applicable.

(2) The appropriation is also sufficient to fund a 3.2% salary increase effective September 1, 2005, for general government, legislative, and judicial employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(3) The appropriation in this section is provided for a 1.6% salary increase effective July 1, 2006, until June 30, 2007, for all classified employees and state employees under the personnel system reform act of 2002. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the personnel resources board or the director of personnel, as applicable. The appropriation is also sufficient to fund a 1.6% salary increase effective September 1, 2006, until June 30, 2007, for general government, legislative, and judicial employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(4)(a) No salary increase may be paid under this section to any person whose salary has been Y-rated pursuant to rules adopted by the personnel resources board or the director of personnel, as applicable.

(b) The average salary increases paid under this section to agency officials whose maximum salaries are established by the committee on agency official salaries shall not exceed the average increases provided under subsection (2) of this section.

(5) The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in LEAP document "2005-07 Transportation Budget-Salary Adjustment Allocation" dated April 11, 2005.

NEW SECTION. Sec. 502. COMPENSATION--INSURANCE BENEFITS
Dedicated Funds and Accounts Appropriation . . . . . . $11,515,000

The appropriation in this section is subject to the following conditions and limitations:
(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed $663.00 per eligible employee for fiscal year 2006. For fiscal year 2007 the monthly employer funding rate shall not exceed $744.00 per eligible represented employee or $618.00 per eligible non-represented employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium co-payments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.065.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in LEAP document "2005-07 Transportation Budget-Health Benefit Adjustment Allocation" dated April 11, 2005.

NEW SECTION. Sec. 503. CONTRIBUTIONS TO RETIREMENT SYSTEMS

Dedicated Funds and Accounts Appropriation . . . . . . . . ($11,362,000)

The appropriation in this section is subject to the following conditions and limitations: Funding in this section is provided solely for funding agency savings in the cost of other compensation items provided at the pension rates as set forth in House Bill No. 1043 and House Bill No. 1044. The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in OFM document "2005-07 Transportation Budget-Pension Adjustment Allocation" dated April 11, 2005.
NEW SECTION.  Sec. 504.  CLASSIFICATION REVISIONS

Dedicated Funds and Accounts Appropriation . . . . . . . . . . . $69,000

The appropriation in this section, or as much thereof as may be necessary, shall be expended solely for the purposes designated in this section and is subject to the following conditions and limitations:

Funding is provided for partial implementation of classification consolidation and revisions under the personnel system reform act of 2002. Groups 2 and 3 of the department of personnel's initial class consolidation plan are affected.

The office of financial management shall update agency appropriations schedules to reflect the addition of the funding in this section, as identified by agency and account in OFM document 2005-07-8Q dated March 21, 2005.

NEW SECTION.  Sec. 505.  SALARY SURVEY

Dedicated Funds and Accounts Appropriation . . . . . . . . . . . $7,340,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided for implementing the department of personnel's 2002 salary survey for those classifications identified as being more than 25 percent lower than the market rate in the department of personnel's 2002 salary survey.

IMPLEMENTING PROVISIONS

NEW SECTION.  Sec. 601.  INFORMATION SYSTEMS PROJECTS.  Agencies shall comply with the following requirements regarding information systems projects when specifically directed to do so by sections 101 through 604 of this act.

(1) Agency planning and decisions concerning information technology shall be made in the context of its information technology portfolio. "Information technology portfolio" means a strategic management approach in which the relationships between agency missions and information technology investments can be seen and understood, such that: Technology efforts are linked to agency objectives and business plans; the impact of new investments on existing infrastructure and business functions are assessed and understood before implementation; and agency activities are consistent with the development of an integrated, nonduplicative statewide infrastructure.
(2) Agencies shall use their information technology portfolios in making decisions on matters related to the following:
   (a) System refurbishment, acquisitions, and development efforts;
   (b) Setting goals and objectives for using information technology in meeting legislatively-mandated missions and business needs;
   (c) Assessment of overall information processing performance, resources, and capabilities;
   (d) Ensuring appropriate transfer of technological expertise for the operation of any new systems developed using external resources; and
   (e) Progress toward enabling electronic access to public information.

(3) Each project will be planned and designed to take optimal advantage of Internet technologies and protocols. Agencies shall ensure that the project is in compliance with the architecture, infrastructure, principles, policies, and standards of digital government as maintained by the information services board.

(4) The agency shall produce a feasibility study for information technology projects at the direction of the information services board and in accordance with published department of information services policies and guidelines. At a minimum, such studies shall include a statement of: (a) The purpose or impetus for change; (b) the business value to the agency, including an examination and evaluation of benefits, advantages, and cost; (c) a comprehensive risk assessment based on the proposed project's impact on both citizens and state operations, its visibility, and the consequences of doing nothing; (d) the impact on agency and statewide information infrastructure; and (e) the impact of the proposed enhancements to an agency's information technology capabilities on meeting service delivery demands.

(5) The agency shall produce a comprehensive management plan for each project. The plan or plans shall address all factors critical to successful completion of each project. The plan(s) shall include, but is not limited to, the following elements: A description of the problem or opportunity that the information technology project is intended to address; a statement of project objectives and assumptions; a definition and schedule of phases, tasks, and activities to be accomplished; and the estimated cost of each phase. The planning for the phased approach shall be such that the business case justification
for a project needs to demonstrate how the project recovers cost or
adds measurable value or positive cost benefit to the agency's business
functions within each development cycle.

(6) The agency shall produce quality assurance plans for
information technology projects. Consistent with the direction of the
information services board and the published policies and guidelines of
the department of information services, the quality assurance plan
shall address all factors critical to successful completion of the
project and successful integration with the agency and state
information technology infrastructure. At a minimum, quality assurance
plans shall provide time and budget benchmarks against which project
progress can be measured, a specification of quality assurance
responsibilities, and a statement of reporting requirements. The
quality assurance plans shall set out the functionality requirements
for each phase of a project.

(7) A copy of each feasibility study, project management plan, and
quality assurance plan shall be provided to the department of
information services, the office of financial management, and
legislative fiscal committees. The plans and studies shall demonstrate
a sound business case that justifies the investment of taxpayer funds
on any new project, an assessment of the impact of the proposed system
on the existing information technology infrastructure, the disciplined
use of preventative measures to mitigate risk, and the leveraging of
private-sector expertise as needed. Authority to expend any funds for
individual information systems projects is conditioned on the approval
of the relevant feasibility study, project management plan, and quality
assurance plan by the department of information services and the office
of financial management.

(8) Quality assurance status reports shall be submitted to the
department of information services, the office of financial management,
and legislative fiscal committees at intervals specified in the
project's quality assurance plan.

NEW SECTION. Sec. 602. During the 2005-07 biennium, the director
of general administration, through the office of state procurement,
shall:

(1) In consultation with the state investment board and the state
treasurer's office, explore and implement strategies designed to reduce
the overall cost of fuel and mitigate the impact of market fluctuations and pressure on both short-term and long-term fuel costs. The department of general administration shall contract for these services. These fuel cost mitigation strategies shall be made available to all state agencies, institutions of higher education, and political subdivisions that purchase fuel through the office of state procurement. These strategies may include but are not limited to futures contracts, swap transactions, option contracts, costless collars, and long-term storage.

(2) Recommend a mechanism for funding these fuel cost mitigation strategies that recognizes that the benefit accrues across state and local governments. To pay for these services, the director may also explore negotiated incentives with contracted providers.

(3) Report to the fiscal committees of the legislature each December 15th regarding the types of contracts established to mitigate fuel costs, the amounts of fuel covered by the contracts, and the cost mitigation results. The reports shall also include recommendations for improving or continuing the fuel cost mitigation program.

NEW SECTION. Sec. 603. The department of transportation may transfer federal funds for state funds within the preservation and improvement programs if funded projects are eligible to use additional federal funds and the scope of the project is not increased. The department shall not transfer funds as authorized under this subsection without approval of the transportation commission and the director of financial management. A report of the transfers will be submitted on October 1st of each fiscal year to the senate and house of representatives transportation committees.

NEW SECTION. Sec. 604. The transportation commission may authorize a transfer of spending allocation within the appropriation provided and between projects funded with transportation 2003 state appropriations and transportation 2005 account--state appropriations to manage project spending and efficiently deliver all projects in the program under the following conditions and limitations:

(1) Transfers from a project may be made if the funds allocated to the project are in excess of the amount needed to complete the project;
(2) Transfers from a project may be made if the project is experiencing unavoidable expenditure delays;

(3) Transfers may be made between fund sources on projects that contain both transportation 2003 state appropriations, transportation 2005 account appropriations, and other funds;

(4) Each transfer between projects may only occur if the commission finds that any resulting change will not impact completing the projects approved by the legislature; and

(5) Transfers may not occur to projects not identified on the list.

(6) A report of the transfers shall be submitted on October 1st of each fiscal year to the senate and house of representatives transportation committees.

NEW SECTION. Sec. 605. The department of transportation, in conjunction with the office of financial management, must implement the governmental accounting standards board's (GASB) statement number 34. The financial reporting value of the state's highway system must be adjusted for any new additions to the system. The biennial reporting of the condition of the system must be related to the funding levels of maintaining the system. The department must maintain a current inventory of the state's highway system and estimate the actual cost to maintain and preserve the assets. In addition to the GASB statement 34, the department of transportation with the office of financial management's assistance must establish an asset replacement value for the state's highway system. A report must be submitted to the transportation committees of the senate and the house of representatives each April. During 2005, the speaker of the house of representatives and the president of the senate must select one member from each caucus to work with the office of financial management, the joint legislative audit and review committee, the department of transportation, and the department of general administration to identify areas in state government where the GASB philosophy could be implemented. The purpose of this effort is to enhance decision-making that will result in strategic long-term investment decisions in transportation capital project management.

NEW SECTION. Sec. 606. The department of transportation shall not
authorize, certify, or otherwise allow toll credits for any purpose relating to passenger-only vessels not owned by the state.

**NEW SECTION. Sec. 607.** The department of transportation shall eliminate 131 middle management positions by June 30, 2007. The middle management reduction, however, shall not impact the work force required to manage and support the delivery of the 2003 nickel package and 2005 transportation partnership package.

**NEW SECTION. Sec. 608.** If a regional funding plan has not been implemented and approved by the voters by January 1, 2007, any projects funded in this act that require matching funds for completion will be reviewed to determine project viability before reappropriating unused funds for the 2007-09 biennial budget.

**NEW SECTION. Sec. 609.** The legislature intends that tolls be charged to offset or partially offset the costs for the Alaskan Way Viaduct, State Route 520 Bridge replacement, and widening of Interstate 405.

**NEW SECTION. Sec. 610.** The following measures are necessary to implement the provisions contained in this budget, and are not subject to the cutoff resolution: HB 1541; HB 1865; HB 1879; HB 2085; HB 2124; HB 2157; SB 5058; SB 5121; SB 5139; SB 5177; SB 5414; SB 5513; SB 5623; SB 5775.

### 2003-05 BIENNIUM

**GENERAL GOVERNMENT AGENCIES--OPERATING**

**Sec. 700.** 2004 c 229 s 101 (uncodified) is amended to read as follows:

FOR THE MARINE EMPLOYEES COMMISSION

Puget Sound Ferry Operations Account--State

Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . ($365,000))

$375,000
NEW SECTION.  Sec. 701. A new section is added to 2003 c 360 (uncodified) to read as follows:

FOR TRANSPORTATION AGENCIES.  (1) Operating appropriations made in this act to the department of transportation, department of licensing, and the Washington state patrol shall initially be allotted as required by this act.  Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The operating appropriations to the department of transportation in this act shall be expended for the programs and in the amounts specified in this act.  However, after May 1, 2005, unless specifically prohibited by this act, the department may transfer motor vehicle account--state appropriations, multimodal transportation account--state appropriations, or Puget Sound ferry operations account--state appropriations for fiscal year 2005 among programs after approval by the director of financial management.

(3) The operating appropriations to the department of licensing in this act shall be expended for the programs and in the amounts specified in this act.  However, after May 1, 2005, unless specifically prohibited by this act, the department may transfer highway safety account--state appropriations for fiscal year 2005 among programs after approval by the director of financial management.

(4) The operating appropriations to the Washington state patrol in this act shall be expended for the programs and in the amounts specified in this act.  However, after May 1, 2005, unless specifically prohibited by this act, the department may transfer state patrol highway account--state appropriations for fiscal year 2005 among programs after approval by the director of financial management.

Sec. 702.  2004 c 229 s 207 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL--SUPPORT SERVICES BUREAU
State Patrol Highway Account--State Appropriation . . ($69,799,000) $70,951,000
State Patrol Highway Account--Private/Local
Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . $1,290,000

TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . ($71,089,000)

$72,241,000

The appropriations in this section are subject to the following conditions and limitations: Under the direction of the legislative auditor, the patrol shall update the pursuit vehicle life-cycle cost model developed in the 1998 Washington state patrol performance audit (JLARC Report 99-4). The patrol shall utilize the updated model as a basis for determining maintenance and other cost impacts resulting from the increase to pursuit vehicle mileage above 110 thousand miles in the 2003-05 biennium. The patrol shall submit a report, that includes identified cost impacts, to the transportation committees of the senate and house of representatives by December 31, 2003.

Sec. 703. 2004 c 229 s 208 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING--MANAGEMENT AND SUPPORT SERVICES

Marine Fuel Tax Refund Account--State Appropriation . . . . . . . . $3,000
Motorcycle Safety Education Account--State Appropriation . . . . $97,000
Wildlife Account--State Appropriation . . . . . . . . . . . . . . . . $84,000
Highway Safety Account--Local Appropriation . . . . . . . . . . . . $6,000
Highway Safety Account--State Appropriation . . . . . . . . . . . . ($8,316,000)

$8,318,000
Motor Vehicle Account--State Appropriation . . . . . . . . . . . . $4,403,000
DOL Services Account--State Appropriation . . . . . . . . . . . . $144,000

TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . ($13,053,000)

$13,055,000

Sec. 704. 2004 c 229 s 209 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING--INFORMATION SERVICES

Marine Fuel Tax Refund Account--State Appropriation . . . . . . . . $2,000
Motorcycle Safety Education Account--State Appropriation . . . . . . $144,000
Wildlife Account--State Appropriation . . . . . . . . . . . . . . . . $55,000
Highway Safety Account--State Appropriation . . . . . ($11,656,000)

$11,690,000
Highway Safety Account--Federal Appropriation . . . . . . . . . . . $6,000
Highway Safety Account--Local Appropriation ............. $60,000
Motor Vehicle Account--State Appropriation ............. $6,285,000
DOL Services Account--State Appropriation ............. $1,220,000
TOTAL APPROPRIATION ......... (($19,428,000))

$19,462,000

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

(1) The department shall submit a report to the transportation
committees of the legislature detailing the progress made in
transitioning off of the Unisys system by December 1, 2003, and each
December 1 thereafter.

(2) $151,000 of the highway safety account--state appropriation is
provided solely for the implementation of Third Substitute Senate Bill
No. 5412. Within the amount provided, the department of licensing
shall prepare to implement a "one-to-one" biometric matching system
that compares the biometric identifier submitted to the individual
applicant's record. The authority to expend funds provided under this
subsection is subject to compliance with the provisions under section
504 of this act. If Third Substitute Senate Bill No. 5412 is not
enacted by June 30, 2004, the amount provided in this subsection shall
lapse.

Sec. 705. 2004 c 229 s 211 (uncodified) is amended to read as
follows:

FOR THE DEPARTMENT OF LICENSING--DRIVER SERVICES
Motorcycle Safety Education Account--State Appropriation . $2,576,000
Highway Safety Account--State Appropriation ......... (($87,259,000))

$87,123,000
Highway Safety Account--Federal Appropriation ......... $318,000
Highway Safety Account--Local Appropriation ......... $67,000
TOTAL APPROPRIATION ......... (($90,220,000))

$90,084,000

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

(1) $178,000 of the highway safety account--state appropriation is
provided solely for two temporary collision processing FTEs to
eliminate the backlog of collision reports. The department shall
1 report, informally, to the house of representatives and senate
2 transportation committees quarterly, beginning October 1, 2003, on the
3 progress made in eliminating the backlog.

(2) $369,000 of the highway safety account--state appropriation is
5 provided solely to implement Engrossed Substitute Senate Bill No. 5428
6 or House Bill No. 1681. Within the amount provided in this subsection,
7 the department is authorized to accept applications for driver's
8 license and identicard renewals via the mail or internet. If Engrossed
9 Substitute Senate Bill No. 5428 or House Bill No. 1681 is not enacted
10 by June 30, 2004, the amount provided in this subsection shall lapse.
(3) $282,000 of the highway safety account--state appropriation is
12 provided solely for the implementation of Third Substitute Senate Bill
13 No. 5412. Within the amount provided, the department of licensing
14 shall prepare to implement a "one-to-one" biometric matching system
15 that compares the biometric identifier submitted to the individual
16 applicant's record. The authority to expend funds provided under this
17 subsection is subject to compliance with the provisions under section
18 504 of this act. If Third Substitute Senate Bill No. 5412 is not
19 enacted by June 30, 2004, the amount provided in this subsection shall
20 lapse.
(4) $354,000 of the highway safety account--state appropriation is
22 provided solely for the implementation of Substitute House Bill No. 2532. If Substitute House Bill No. 2532 is not enacted by June 30, 2004, the amount provided in this subsection shall lapse.
(5) $538,000 of the highway safety account--state appropriation is
26 provided solely for the implementation of Substitute House Bill No. 2660. If Substitute House Bill No. 2660 is not enacted by June 30, 2004, the amount provided in this subsection shall lapse.

Sec. 706. 2004 c 229 s 212 (uncodified) is amended to read as
30 follows:
FOR THE DEPARTMENT OF TRANSPORTATION--INFORMATION TECHNOLOGY--PROGRAM
C
Motor Vehicle Account--State Appropriation . . . . . . ($56,236,000)
$53,522,000
Motor Vehicle Account--Federal Appropriation . . . . . ($5,163,000)
$6,654,000
Puget Sound Ferry Operations Account--State
The appropriations in this section are subject to the following conditions and limitations:

(1) $850,000 of the motor vehicle account--state appropriation is provided for the continued maintenance and support of the transportation executive information system (TEIS). The TEIS shall be enhanced during the 2004 interim to shift towards a monitoring and reporting system capable of tracking and reporting on major project milestones and measurements. The department shall work with the legislature to identify and define meaningful milestones and measures to be used in monitoring the scope, schedule, and cost of projects.

(2)(a) $2,959,000 of the motor vehicle account--state appropriation and $2,963,000 of the motor vehicle account--federal appropriation are provided solely for implementation of a new revenue collection system, including the integration of the regional fare coordination system (smart card), at the Washington state ferries. By December 1st of each year, an annual update must be provided to the legislative transportation committee concerning the status of implementing and completing this project.

(b) $200,000 of the Puget Sound ferry operation account--state appropriation is provided solely for implementation of the smart card program.

(3) The department shall contract with the department of information services to conduct a survey that identifies possible opportunities and benefits associated with siting and use of technology and wireless facilities located on state right of way authorized by RCW 47.60.140. The department shall submit a report regarding the survey to the appropriate legislative committees by December 1, 2004.

Sec. 707. 2004 c 229 s 213 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--FACILITY MAINTENANCE, OPERATIONS AND CONSTRUCTION--PROGRAM D--OPERATING
Motor Vehicle Account--State Appropriation . . . . . ($30,981,000)

$30,515,000
Sec. 708. 2004 c 229 s 215 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--PROGRAM DELIVERY MANAGEMENT AND SUPPORT--PROGRAM H

Motor Vehicle Account--State Appropriation . . . . . . . . ((($49,056,000))) $48,056,000

Motor Vehicle Account--Federal Appropriation . . . . . . . $400,000

TOTAL APPROPRIATION . . . . . . . . . . . . . . . ((($49,456,000))) $48,456,000

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

(1) (($14,310,000)) $13,985,000 of the motor vehicle account--state appropriation is provided solely for the staffing, activities, and overhead of the department's environmental affairs office. This funding is provided in lieu of funding provided in sections 305 and 306 of this act.

(2) $3,100,000 of the motor vehicle account--state appropriation is provided solely for the staffing and activities of the transportation permit efficiency and accountability committee. The committee shall develop a model national environmental policy act (NEPA) tribal consultation process for federal transportation aid projects related to the preservation of cultural, historic, and environmental resources. The process shall ensure that Tribal participation in the NEPA consultation process is conducted pursuant to treaty rights, federal law, and state statutes, consistent with their expectations for protection of such resources.

(3) $300,000 of the motor vehicle account--state appropriation is provided to the department in accordance with RCW 46.68.110(2) and 46.68.120(3) and shall be used by the department solely for the purposes of providing contract services to the association of Washington cities and Washington state association of counties to implement section 2(3)(c), (5), and (6), chapter 8 (ESB 5279), Laws of 2003 for activities of the transportation permit efficiency and accountability committee.

Sec. 709. 2003 c 360 s 218 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF TRANSPORTATION--ECONOMIC PARTNERSHIPS--PROGRAM K
Motor Vehicle Account--State Appropriation . . . . . . . ($1,011,000)
$996,000

Sec. 710. 2004 c 229 s 218 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--TRAFFIC OPERATIONS--PROGRAM Q--OPERATING
Motor Vehicle Account--State Appropriation . . . . . . . ($38,924,000)
$38,338,000
Motor Vehicle Account--Private/Local Appropriation . . . . . . $125,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . (($39,049,000))
$38,463,000

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

(1) A maximum of $8,800,000 of the motor vehicle account--state appropriation may be expended for the incident response program, including the service patrols. The department and the Washington state patrol shall continue to consult and coordinate with private sector partners, such as towing companies, media, auto, insurance and trucking associations, and the legislative transportation committees to ensure that limited state resources are used most effectively. No funds shall be used to purchase tow trucks.

(2) $4,400,000 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. The department shall prioritize low-cost enhancement projects on a statewide rather than regional basis.

(3) At a frequency determined by the department, the interstate-5 variable message signs shall display a message advising slower traffic to keep right.

(4) The appropriation authority under this section includes spending authority to administer the motorist information sign panel program. The department shall establish the annual fees charged for these services so that all costs to administer this program are recovered; in no event, however, shall the department charge more than:

(a) $1,000 per business per location on freeways and expressways with average daily trips greater than 80,000;
(b) $750 per business per location on freeways and expressways with
average daily trips less than 80,000; and
(c) $400 per business per location on conventional highways.

Sec. 711. 2004 c 229 s 219 (uncodified) is amended to read as
follows:
FOR THE DEPARTMENT OF TRANSPORTATION--TRANSPORTATION MANAGEMENT AND
SUPPORT--PROGRAM S
Motor Vehicle Account--State Appropriation . . . . . . . (($24,579,000))
$24,079,000
Motor Vehicle Account--Federal Appropriation . . . . . . . . . $636,000
Puget Sound Ferry Operations Account--State Appropriation . $1,093,000
Multimodal Transportation Account--State Appropriation . . . $973,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . (26,781,000)
$26,781,000

The appropriations in this section are subject to the following
conditions and limitations:
1. $627,000 of the motor vehicle account--state appropriation is
provided solely for the implementation of Substitute Senate Bill No.
5248. If Substitute Senate Bill No. 5248 is not enacted by June 30,
2003, the amount provided in this subsection shall lapse. The agency
may transfer between programs funds provided in this subsection.
2. The department shall transfer at no cost to the Washington
state patrol the title to the Walla Walla colocation facility.

Sec. 712. 2004 c 229 s 220 (uncodified) is amended to read as
follows:
FOR THE DEPARTMENT OF TRANSPORTATION--TRANSPORTATION PLANNING, DATA,
AND RESEARCH--PROGRAM T
Motor Vehicle Account--State Appropriation . . . . . . . ((24,694,000))
$24,694,000
Motor Vehicle Account--Federal Appropriation . . . . . . . . $14,814,000
Multimodal Transportation Account--State Appropriation . . . . . . . $1,521,000
Multimodal Transportation Account--Federal Appropriation . $2,000,000
TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . (43,029,000)
$43,029,000
The appropriations in this section are subject to the following conditions and limitations:

(1) $3,800,000 of the motor vehicle account--state appropriation is provided solely for a study of regional congestion relief solutions for Puget Sound (including state route 169), Spokane, and Vancouver. The study must include proposals to alleviate congestion consistent with population and land use expectations under the growth management act, and must include measurement of all modes of transportation.

(2) $2,000,000 of the motor vehicle account--state appropriation is provided solely for additional assistance to support regional transportation planning organizations and long-range transportation planning efforts. As a condition of receiving this support, a regional transportation planning organization containing any county with a population in excess of one million shall provide voting membership on its executive board to any incorporated principal city of a metropolitan statistical area within the region, as designated by the United States census bureau.

(3) $1,200,000 of the motor vehicle account--state appropriation is provided solely for the costs of the regional transportation investment district (RTID) election and department of transportation project oversight. These funds are provided as a loan to the RTID and shall be repaid to the state motor vehicle account within one year following the certification of the election results related to the RTID.

(4) $650,000 of the motor vehicle account--state appropriation is provided to the department in accordance with RCW 46.68.110(2) and 46.68.120(3) and shall be used by the department to support the processing and analysis of the backlog of city and county collision reports.

(5) The department shall contribute to the report required in section 208(1) of this act in the form of an analysis of the cost impacts incurred by the department as the result of the policy implemented in section 208(1) of this act. The analysis shall contrast overtime costs charged by the patrol prior to July 1, 2003, with contract costs for similar services after July 1, 2003.

(6) $60,000 of the distribution under RCW 46.68.110(2) and 46.68.120(3) is provided solely to the department for the Washington strategic freight transportation analysis.
(7) $500,000 of the multimodal transportation account--state appropriation is provided solely for contracting with the department of natural resources to develop data systems for state submerged lands that can be shared with other governmental agencies and that can support the state vision for ecoregional planning. The data to be shared shall include, but not limited to, tabular and geospatial data describing public land ownership, distributions of native plants, marine and aquatic species and their habitats, physical attributes, aquatic ecosystems, and specially designated conservation or environmentally sensitive areas.

Sec. 713. 2004 c 229 s 222 (uncodified) is amended to read as follows:

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
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</tr>
<tr>
<td>Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ((47,057,000))</td>
</tr>
<tr>
<td>$46,757,000</td>
</tr>
<tr>
<td>Multimodal Transportation Account--Federal Appropriation . $2,574,000</td>
</tr>
<tr>
<td>Multimodal Transportation Account--Private/Local</td>
</tr>
<tr>
<td>Appropriation . . . . . . . . . . . . . . . . . . . . . . . . . . . . . $155,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATION . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ((49,786,000))</td>
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<td>$49,486,000</td>
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</table>

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

1. $18,000,000 of the multimodal transportation account--state appropriation is provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation.

   (a) $4,000,000 of the amount provided in this subsection is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers shall 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) $14,000,000 of the amount provided in this subsection is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must 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 shall be prorated based on the amount expended for demand response service and route deviated service in calendar year 2001 as reported in the "Summary of Public Transportation - 2001" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions.

(2) $1,500,000 of the multimodal transportation account--state appropriation is provided solely for grants to implement section 9 of Engrossed Substitute House Bill No. 2228.

(3) Funds are provided for the rural mobility grant program as follows:

(a) $6,000,000 of the multimodal transportation account--state appropriation is provided solely for grants for those transit systems serving small cities and rural areas as identified in the Summary of Public Transportation - 2001 published by the department of transportation. Noncompetitive grants must be distributed to the transit systems serving small cities and rural areas in a manner similar to past disparity equalization programs.

(b) $4,000,000 of the multimodal transportation account--state appropriation is provided solely to providers of rural mobility service in areas not served or underserved by transit agencies through a competitive grant process.

(4) $4,000,000 of the multimodal transportation account--state appropriation is provided solely for a vanpool grant program for: (a) Public transit agencies to add vanpools; and (b) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; no operating costs for public transit agencies are eligible for funding under this grant program. No additional employees may be hired for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. Additional criteria for selecting grants will include leveraging funds other than state funds. The commute trip reduction task force shall determine the cost effectiveness of the grants, including vanpool system coordination, regarding the use of the funds.

(5) $100,000 of the multimodal transportation account--state
appropriation is provided solely for the commute trip reduction program for Benton county.

(6) $3,000,000 of the multimodal transportation account--state appropriation is provided to the city of Seattle for the Seattle streetcar project on South Lake Union.

(7) $500,000 of the multimodal transportation account--state appropriation is provided solely to King county as a state match to obtain federal funding for a car sharing program.

Sec. 714. 2004 c 229 s 223 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--MARINE--PROGRAM X

Puget Sound Ferry Operations Account--State

Appropriation .......................... ($312,490,000) $324,058,000

Multimodal Transportation Account--State

Appropriation .......................... $5,120,000

TOTAL APPROPRIATION .................. ($317,610,000) $329,178,000

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

(1) The appropriation is based on the budgeted expenditure of ($35,348,000) $51,048,000 for vessel operating fuel in the 2003-2005 biennium. If the actual cost of fuel is less than this budgeted amount, the excess amount may not be expended. If the actual cost exceeds this amount, the department shall request a supplemental appropriation.

(2) The appropriation provides for the compensation of ferry employees. The expenditures for compensation paid to ferry employees during the 2003-2005 biennium may not exceed $208,935,700, plus a dollar amount, as prescribed by the office of financial management, that is equal to any insurance benefit increase granted general government employees in excess of $495.30 a month annualized per eligible marine employee multiplied by the number of eligible marine employees for fiscal year 2004 and $567.67 a month annualized per eligible marine employee multiplied by the number of eligible marine employees for fiscal year 2005, a dollar amount as prescribed by the office of financial management for costs associated with pension

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amortization charges, and a dollar amount prescribed by the office of financial management for salary increases during the 2003-2005 biennium. For the purposes of this section, the expenditures for compensation paid to ferry employees shall be limited to salaries and wages and employee benefits as defined in the office of financial management's policies, regulations, and procedures named under objects of expenditure "A" and "B" (7.2.6.2).

The prescribed salary increase or decrease dollar amount that shall be allocated from the governor's compensation appropriations is in addition to the appropriation contained in this section and may be used to increase or decrease compensation costs, effective July 1, 2003, and thereafter, as established in the 2003-2005 general fund operating budget.

(3) $4,234,000 of the multimodal transportation account--state appropriation and $800,000 of the Puget Sound ferry operations account--state appropriation are provided solely for operating costs associated with the Vashon to Seattle passenger-only ferry. The Washington state ferries will develop a plan to increase passenger-only farebox recovery to at least forty percent by July 1, 2003, with an additional goal of eighty percent, through increased fares, lower operation costs, and other cost-saving measures as appropriate. In order to implement the plan, ferry system management is authorized to negotiate changes in work hours (requirements for split shift work), but only with respect to operating passenger-only ferry service, to be included in a collective bargaining agreement in effect during the 2003-05 biennium that differs from provisions regarding work hours in the prior collective bargaining agreement. The department must report to the transportation committees of the legislature by December 1, 2003.

(4) $984,000 of the Puget Sound ferry operations account--state appropriation is provided solely for ferry security operations necessary to comply with the ferry security plan submitted by the Washington state ferry system to the United States coast guard. The department shall track security costs and expenditures. Ferry security operations costs shall not be included as part of the operational costs that are used to calculate farebox recovery.

(5) $866,000 of the multimodal transportation account--state appropriation and $200,000 of the Puget Sound ferry operations
account—state appropriation are provided solely for operating costs associated with the Bremerton to Seattle passenger-only ferry service for thirteen weeks.

(6) The department shall study the potential for private or public partners, including but not limited to King county, to provide passenger-only ferry service from Vashon to Seattle. The department shall report to the legislative transportation committees by December 31, 2003.

(7) The Washington state ferries shall continue to provide service to Sidney, British Columbia.

(8) When augmenting the existing ferry fleet, the department of transportation ferry capital program shall explore cost-effective options to include the leasing of ferries from private-sector organizations.

(9) The Washington state ferries shall work with the department of general administration, office of state procurement to improve the existing fuel procurement process and solicit, identify, and evaluate, purchasing alternatives to reduce the overall cost of fuel and mitigate the impact of market fluctuations and pressure on both short- and long-term fuel costs. Consideration shall include, but not be limited to, long-term fuel contracts, partnering with other public entities, and possibilities for fuel storage in evaluating strategies and options. The department shall report back to the transportation committees of the legislature by December 1, 2003, on the options, strategies, and recommendations for managing fuel purchases and costs.

(10) The department must provide a separate accounting of passenger-only ferry service costs and auto ferry service costs, and must provide periodic reporting to the legislature on the financial status of both passenger-only and auto ferry service in Washington state.

(11) The Washington state ferries must work with the department's information technology division to implement a new revenue collection system, including the integration of the regional fare coordination system (smart card). Each December, annual updates are to be provided to the transportation committees of the legislature concerning the status of implementing and completing this project, with updates concluding the first December after full project implementation.
The Washington state ferries shall evaluate the benefits and costs of selling the depreciation rights to ferries purchased by the state in the future through sale and lease-back agreements, as permitted under RCW 47.60.010. The department is authorized to issue a request for proposal to solicit proposals from potential buyers. The department must report to the transportation committees of the legislature by December 1, 2004, on the options, strategies, and recommendations for sale/lease-back agreements on existing ferry boats as well as future ferry boat purchases.

Sec. 715. 2004 c 229 s 224 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--OPERATING
Multimodal Transportation Account--State
Appropriation . . . . . . . . . . . . . . . . . . (((34,118,000)))

$33,488,000

The appropriation in this section is subject to the following conditions and limitations:
(1) (((29,961,000))) $29,331,000 of the multimodal transportation account--state appropriation is provided solely for the Amtrak service contract and Talgo maintenance contract associated with providing and maintaining the state-supported passenger rail service.
(2) No Amtrak Cascade runs may be eliminated.
(3) The department is directed to explore scheduling changes that will reduce the delay in Seattle when traveling from Portland to Vancouver B.C.
(4) The department is directed to explore opportunities with British Columbia (B.C.) concerning the possibility of leasing an existing Talgo trainset to B.C. during the day for a commuter run when the Talgo is not in use during the Bellingham layover.

Sec. 716. 2004 c 229 s 225 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--OPERATING
Motor Vehicle Account--State Appropriation . . . . . (((7,067,000)))

$6,957,000
Motor Vehicle Account--Federal Appropriation . . . . . $2,569,000
The appropriations in this section are subject to the following conditions and limitations:

1. Up to $75,000 of the total appropriation is provided in accordance with RCW 46.68.110(2) and 46.68.120(3) to fund the state's share of the 2004 Washington marine cargo forecast study. Public port districts, acting through their association, must provide funding to cover the remaining cost of the forecast.

2. $300,000 of the motor vehicle account—state appropriation is provided in accordance with RCW 46.68.110(2) and 46.68.120(3) solely to fund a study of the threats posed by flooding to the state and other infrastructure near the Interstate 5 crossing of the Skagit River. This funding is contingent on the receipt of federal matching funds.

TRANSPORTATION AGENCIES—CAPITAL

NEW SECTION. Sec. 717. A new section is added to 2003 c 360 (uncodified) to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I

The project titled "SR 206, SR 206 and Bruce Road Roundabout" will not include a roundabout but will evaluate and implement other safety measures.

TRANSFERS AND DISTRIBUTIONS

Sec. 801. 2004 c 229 s 401 (uncodified) is amended to read as follows:

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

Highway Bond Retirement Account Appropriation . . . . (($250,000,000)) $240,833,000

Nondebt-Limit Reimbursable Account Appropriation . . . . (($1,121,000)) $1,440,000

Ferry Bond Retirement Account Appropriation . . . . (($43,340,000)) $42,084,000

Transportation Improvement Board Bond Retirement
Account--State Appropriation ............... (($36,721,000))

Motor Vehicle Account--State Appropriation ........ $5,254,000
Special Category C Account--State Appropriation ........ $338,000
Transportation Improvement Account--State
  Appropriation ........................................ $240,000
Multimodal Transportation Account--State Appropriation ... $358,000
Transportation 2003 Account (nickel account)
  Appropriation ........................................ $2,117,000
TOTAL APPROPRIATION ................................. (($342,499,000))

$325,873,000

Sec. 802. 2004 c 229 s 402 (uncodified) is amended to read as follows:
FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND
REGISTRATION AND TRANSFER CHARGES:  FOR BOND SALE EXPENSES AND FISCAL
AGENT CHARGES
Motor Vehicle Account--State Appropriation ........ (($1,293,000))

$793,000
Special Category C Account Appropriation ............. $111,000
Transportation Improvement Account--State
  Appropriation ........................................ $21,000
Multimodal Transportation Account--State Appropriation ... $119,000
Transportation 2003 Account (nickel account)--State
  Appropriation ........................................ (($700,000))

$400,000
TOTAL APPROPRIATION ................................. (($2,244,000))

$1,444,000

Sec. 803. 2004 c 229 s 404 (uncodified) is amended to read as follows:
FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION
Motor Vehicle Account Appropriation for
motor vehicle fuel tax distributions to
cities and counties .................................... (($440,228,000))

$435,265,950
Motor Vehicle Account--State Appropriation:
For license permit and fee distributions to cities
and counties ........................................... (($13,119,000))

Sec. 804. 2004 c 229 s 405 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--TRANSFERS

(1) State Patrol Highway Account--State Appropriation: For transfer to the Motor Vehicle Account ....................................................... (($20,000,000))

(2) Motor Vehicle Account--State Appropriation: For motor vehicle fuel tax refunds and transfers ...................................................... (($770,347,000))

(3) Highway Safety Account--State Appropriation: For transfer to the motor vehicle account--state ................................................ $12,000,000

(4) Transfer from the Motor Vehicle Account--State Appropriation to the Puget Sound ferry operations account ................................... $5,000,000

The state treasurer shall perform the transfers from the state patrol highway account and the highway safety account to the motor vehicle account on a quarterly basis.

Sec. 805. 2004 c 229 s 406 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--TRANSFERS

(1) Motor Vehicle Account--State Appropriation: For transfer to Puget Sound Ferry Operations Account ......................................................... (($21,757,000))

(2) RV Account--State Appropriation: For transfer to the Motor Vehicle Account--State .... $1,954,000

(3) Motor Vehicle Account--State Appropriation: For transfer to Puget Sound Capital Construction Account ............................................. $61,287,000

(4) Puget Sound Ferry Operations Account--State Appropriation: For transfer to Puget Sound Capital
Construction Account ........................ $22,000,000

(5) Transportation Equipment Fund--State
Appropriation: For transfer to the Motor Vehicle
Account--State .......................... $5,000,000

(6) Advanced Right-of-Way Revolving Account--
State Appropriation: For transfer to the Motor
Vehicle Account--State ........................ $3,000,000

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

(a) The department of transportation shall only transfer funds in
subsections (2) and (3) of this section up to the level provided, on an
as-needed basis.

(b) The department of transportation shall transfer funds in
subsection (4) of this section up to the amount identified, provided
that a minimum balance of $5,000,000 is retained in the Puget Sound
ferry operations account.

(c) The amount identified in subsection (4) of this section may not
include any revenues collected as passenger fares.

MISCELLANEOUS

NEW SECTION. Sec. 901. 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. 902. 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.
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