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ENGROSSED SUBSTITUTE HOUSE BILL 2531

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State of Washington

58th Legislature

2004 Regular Session

By House Committee on Transportation (originally sponsored by Representatives Murray, Wallace, McIntire, Dickerson, Hatfield, Rockefeller, Schual-Berke, Moeller, Chase, Conway and Wood)

READ FIRST TIME 01/28/04.

1 AN ACT Relating to regional transportation investment districts;  
2 amending RCW 36.120.010, 36.120.020, 36.120.030, 36.120.040,  
3 36.120.050, 36.120.060, 36.120.070, 36.120.090, 36.120.140, 36.120.190,  
4 36.120.200, 47.56.076, and 82.14.430; adding a new section to chapter  
5 36.120 RCW; adding a new section to chapter 47.56 RCW; and adding a new  
6 section to chapter 82.80 RCW.

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

8 **Sec. 1.** RCW 36.120.010 and 2002 c 56 s 101 are each amended to  
9 read as follows:

10 The legislature finds that:

11 (1) The capacity of many of Washington state's transportation  
12 facilities have failed to keep up with the state's growth, particularly  
13 in major urban regions;

14 (2) The state cannot by itself fund, in a timely way, many of the  
15 major capacity and other improvements required on highways of statewide  
16 significance (~~(in the state's largest urbanized area)~~) and facilities  
17 that are an identified risk for failure;

18 (3) Providing a transportation system that provides efficient

1 mobility for persons and freight requires a shared partnership and  
2 responsibility between the state, local, and regional governments and  
3 the private sector; and

4 (4) Timely construction and development of significant  
5 transportation improvement projects can best be achieved through  
6 enhanced funding options for governments at the county and regional  
7 levels, using already existing tax authority to address roadway and  
8 multimodal needs and new authority for regions to address critical  
9 transportation projects (~~(of statewide significance)~~).

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

12 The definitions in this section apply throughout this chapter  
13 unless the context clearly requires otherwise.

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

16 (2) "Department" means the Washington state department of  
17 transportation.

18 (3) "Highway of statewide significance" means an existing or  
19 proposed state route or federal interstate designated as a highway of  
20 statewide significance by the transportation commission, its successor  
21 entity, or the legislature.

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

25 (5) "Regional transportation investment district" or "district"  
26 means a municipal corporation (~~(whose boundaries are coextensive with~~  
27 ~~two or more contiguous counties and)~~) that has been created by a county  
28 legislative authority or authorities and a vote of the people under  
29 this chapter to implement a regional transportation investment plan.  
30 For counties specified under RCW 36.120.030(1), the boundaries must be  
31 coextensive with two or more contiguous counties, except as provided in  
32 RCW 36.120.030(1), and for counties specified under RCW 36.120.030(2),  
33 the boundaries may be multicounty, county-wide, or less than county-  
34 wide; however, a city must be wholly inside or outside the boundaries  
35 of the district.

36 (6) "Regional transportation investment district planning  
37 committee" or "planning committee" means the advisory committee created

1 under RCW 36.120.030 to create and propose to county legislative  
2 authorities a regional transportation investment plan to develop,  
3 finance, and construct transportation projects.

4 (7) "Regional transportation investment plan" or "plan" means a  
5 plan to develop, construct, and finance a transportation project or  
6 projects.

7 (8)(a) "Transportation project" means(~~(~~

8 ~~(a) A capital improvement or improvements to a highway that has~~  
9 ~~been designated, in whole or in part, as a highway of statewide~~  
10 ~~significance, including an extension, that:~~

11 ~~(i) Adds a lane or new lanes to an existing state or federal~~  
12 ~~highway; or~~

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

15 ~~(b) A capital improvement or improvements to all or a portion of a~~  
16 ~~highway of statewide significance, including an extension, and may~~  
17 ~~include the following associated multimodal capital improvements:~~

18 ~~(i) Approaches to highways of statewide significance;~~

19 ~~(ii) High occupancy vehicle lanes;~~

20 ~~(iii) Flyover ramps;~~

21 ~~(iv) Park and ride lots;~~

22 ~~(v) Bus pullouts;~~

23 ~~(vi) Vans for vanpools;~~

24 ~~(vii) Buses; and~~

25 ~~(viii) Signalization, ramp metering, and other transportation~~  
26 ~~system management improvements.~~

27 ~~(c) A capital improvement or improvements to all or a portion of a~~  
28 ~~city street, county road, or existing highway or the creation of a new~~  
29 ~~highway that intersects with a highway of statewide significance, if~~  
30 ~~all of the following conditions are met:~~

31 ~~(i) The project is included in a plan that makes highway~~  
32 ~~improvement projects that add capacity to a highway or highways of~~  
33 ~~statewide significance;~~

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

37 ~~(iii) Matching money equal to one third of the total cost of the~~  
38 ~~project is provided by local entities, including but not limited to a~~

1 metropolitan planning organization, county, city, port, or private  
2 entity in which a county participating in a plan is located. Local  
3 entities may use federal grants to meet this matching requirement;

4 (iv) In no case may the cumulative regional transportation  
5 investment district contribution to all projects constructed under this  
6 subsection (8)(c) exceed ten percent of the revenues generated by the  
7 district;

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

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

13 (d)) a project or program contained in the transportation plan of  
14 the state or of a regional transportation planning organization,  
15 including operations, preservation, and maintenance ((are excluded from  
16 this definition and may not be included in a regional transportation  
17 investment plan)) of the projects or programs.

18 (b) "High-priority project" means the restoration, reconstruction,  
19 or improvement of a transportation facility of regional significance  
20 that has failed or is an identified risk for failure in terms of its  
21 design life expectancy or other factors.

22 (9) "Weighted vote" means a vote that reflects the population each  
23 board or planning committee member represents relative to the  
24 population represented by the total membership of the board or planning  
25 committee. Population will be determined using the federal 2000 census  
26 or subsequent federal census data.

27 **Sec. 3.** RCW 36.120.030 and 2002 c 56 s 103 are each amended to  
28 read as follows:

29 Regional transportation investment district planning committees are  
30 advisory entities that are created, convened, and empowered as follows:

31 (1) A county with a population over one million five hundred  
32 thousand persons and any adjoining counties with a population over five  
33 hundred thousand persons may create a regional transportation  
34 investment district and shall convene a regional transportation  
35 investment district planning committee. Any portion of a county that  
36 is located on a peninsula and is connected to the other portion of the  
37 county by a bridge improved under the Public-Private Transportation

1 Initiatives Act, chapter 47.46 RCW, in a county with a national park  
2 and a population of more than five hundred thousand persons and less  
3 than one million five hundred thousand persons may not be part of a  
4 regional transportation investment district. To proceed with  
5 developing a plan, including submission of a plan to county legislative  
6 authorities for placement on a ballot, at least two contiguous counties  
7 must be included in the plan.

8 (2) For counties other than those counties specified in subsection  
9 (1) of this section, the county legislative authority may create a  
10 regional transportation investment district and shall convene a  
11 regional transportation investment planning committee. Counties may by  
12 resolution of each county's legislative authority create a district to  
13 include more than one county.

14 (3) The members of the legislative authorities participating in  
15 planning under this chapter shall serve as the district planning  
16 committee. In addition, for counties planning under subsection (2) of  
17 this section, the planning committee must also include mayors or city  
18 council members of cities within the district so that the proportional  
19 membership on the planning committee in terms of members with weighted  
20 votes reflects the relative population of persons living within the  
21 respective jurisdictions. Members of the planning committee receive no  
22 compensation, but may be reimbursed for travel and incidental expenses  
23 as the planning committee deems appropriate.

24 The secretary of transportation, or the appropriate regional  
25 administrator of the department, as named by the secretary, shall serve  
26 on the committee as a nonvoting member.

27 ~~((+3))~~ (4) A regional transportation investment district planning  
28 committee may be entitled to state funding, as appropriated by the  
29 legislature, for start-up funding to pay for salaries, expenses,  
30 overhead, supplies, and similar expenses ordinarily and necessarily  
31 incurred in selecting transportation projects and funding for those  
32 transportation projects under this chapter. Upon creation of a  
33 regional transportation investment district, the district shall within  
34 one year reimburse the state for any sums advanced for these start-up  
35 costs from the state.

36 ~~((+4))~~ (5) The planning committee shall conduct its affairs and  
37 formulate a regional transportation investment plan as provided under  
38 RCW 36.120.040, except that ~~((+t))~~ planning committees for counties

1 under subsection (1) of this section shall elect an executive board of  
2 seven members to discharge the duties of the planning committee and  
3 formulate a regional transportation investment plan, subject to the  
4 approval of the full committee.

5 ~~((+5))~~ (6) At its first meeting, a regional transportation  
6 investment district planning committee may elect officers and provide  
7 for the adoption of rules and other operating procedures.

8 ~~((+6))~~ (7) Governance of and decisions by a regional  
9 transportation investment district planning committee must be by a  
10 sixty-percent weighted majority vote of the total membership.

11 ~~((+7))~~ (8) The planning committee may dissolve itself at any time  
12 by a two-thirds weighted majority vote of the total membership of the  
13 planning committee.

14 **Sec. 4.** RCW 36.120.040 and 2003 c 194 s 1 are each amended to read  
15 as follows:

16 (1) A regional transportation investment district planning  
17 committee shall adopt a regional transportation investment plan  
18 providing for the development, construction, and financing of  
19 transportation projects. The planning committee may consider the  
20 following factors in formulating its plan:

21 (a) Land use planning criteria;

22 (b) The input of cities located within a participating county; and

23 (c) The input of regional transportation planning organizations in  
24 which a participating county is located. A regional transportation  
25 planning organization in which a participating county is located shall  
26 review its adopted regional transportation plan and submit, for the  
27 planning committee's consideration, its list of transportation  
28 improvement priorities.

29 (2) The planning committee may coordinate its activities with the  
30 department, which shall provide services, data, and personnel to assist  
31 in this planning as desired by the planning committee. In addition,  
32 the planning committee may coordinate with affected cities, towns, and  
33 other local governments that engage in transportation planning.

34 (3) In conducting its environmental impact statement  
35 responsibilities on the Alaskan Way Viaduct project, the department of  
36 transportation must provide briefings and consult with legislators in

1 the affected project area on the design alternatives for that facility  
2 as a high-priority project.

3 (4) The planning committee shall:

4 (a) Conduct public meetings that are needed to assure active public  
5 participation in the development of the plan;

6 (b) Adopt a plan proposing the:

7 (i) Creation of a regional transportation investment district; and

8 (ii) Construction of transportation projects to improve or maintain  
9 mobility within each county(~~(.——Operations,——maintenance,——and~~  
10 ~~preservation of facilities or systems may not be part of the plan))~~);

11 ~~((+e))~~ (d) Recommend sources of revenue authorized by RCW  
12 36.120.050 and a financing plan to fund selected transportation  
13 projects. The overall plan of the district must leverage the  
14 district's financial contributions so that the federal, state, local,  
15 and other revenue sources continue to fund major congestion relief and  
16 ~~((transportation capacity))~~ mobility improvement projects in each  
17 county and the district. A combination of local, state, and federal  
18 revenues may be necessary to pay for transportation projects, and the  
19 planning committee shall consider all of these revenue sources in  
20 developing a plan.

21 ~~((+4))~~ (5) For counties under RCW 36.120.030(1), the plan must use  
22 tax revenues and related debt for projects that generally benefit a  
23 participating county in proportion to the general level of tax revenues  
24 generated within that participating county. This equity principle  
25 applies to all modifications to the plan, appropriation of contingency  
26 funds not identified within the project estimate, and future phases of  
27 the plan. During implementation of the plan, the board shall retain  
28 the flexibility to manage distribution of revenues, debt, and project  
29 schedules so that the district may effectively implement the plan.  
30 Nothing in this section should be interpreted to prevent the district  
31 from pledging district-wide tax revenues for payment of any contract or  
32 debt entered into under RCW 36.120.130.

33 ~~((+5))~~ (6) Before adopting the plan, the planning committee, with  
34 assistance from the department, shall work with the lead agency to  
35 develop accurate cost forecasts for transportation projects. This  
36 project costing methodology must be integrated with revenue forecasts  
37 in developing the plan and must at a minimum include estimated project  
38 costs in constant dollars as well as year of expenditure dollars, the

1 range of project costs reflected by the level of project design,  
2 project contingencies, identification of mitigation costs, the range of  
3 revenue forecasts, and project and plan cash flow and bond analysis.  
4 The plan submitted to the voters must provide cost estimates for each  
5 project, including reasonable contingency costs. Plans submitted to  
6 the voters must provide that the maximum amount possible of the funds  
7 raised will be used to fund projects in the plan, including  
8 environmental improvements and mitigation, and that administrative  
9 costs be minimized. If actual revenue exceeds actual plan costs, the  
10 excess revenues must be used to retire any outstanding debt associated  
11 with the plan.

12 ~~((+6+))~~ (7) For counties under RCW 36.120.030(1), if a county opts  
13 not to adopt the plan or participate in the regional transportation  
14 investment district, but two or more contiguous counties do choose to  
15 continue to participate, then the planning committee may, within ninety  
16 days, redefine the regional transportation investment plan and the  
17 ballot measure to be submitted to the people to reflect elimination of  
18 the county, and submit the redefined plan to the legislative  
19 authorities of the remaining counties for their decision as to whether  
20 to continue to adopt the redefined plan and participate. This action  
21 must be completed within sixty days after receipt of the redefined  
22 plan.

23 ~~((+7+))~~ (8) Once adopted, the plan must be forwarded to the  
24 participating county legislative authority or authorities to initiate  
25 the election process under RCW 36.120.070. The planning committee  
26 shall at the same time provide notice to each city and town within the  
27 district, the governor, the chairs of the transportation committees of  
28 the legislature, the secretary of transportation, and each legislator  
29 whose legislative district is partially or wholly within the boundaries  
30 of the district.

31 ~~((+8+))~~ (9) If the ballot measure is not approved, the planning  
32 committee may redefine the selected transportation projects, financing  
33 plan, and the ballot measure. The county legislative authority or  
34 authorities may approve the new plan and ballot measure, and may then  
35 submit the revised proposition to the voters at the next election or a  
36 special election. If no ballot measure is approved by the voters by  
37 the third vote, the planning committee is dissolved.



1       **Sec. 5.** RCW 36.120.050 and 2003 c 350 s 4 are each amended to read  
2 as follows:

3       (1) A regional transportation investment district planning  
4 committee may, as part of a regional transportation investment plan,  
5 recommend the imposition of some or all of the following revenue  
6 sources, which a regional transportation investment district may impose  
7 upon approval of the voters as provided in this chapter:

8       (a) A regional sales and use tax, as specified in RCW 82.14.430, of  
9 up to ~~((0.5))~~ 0.2 percent of the selling price, in the case of a sales  
10 tax, or value of the article used, in the case of a use tax, upon the  
11 occurrence of any taxable event in the regional transportation  
12 investment district. The proceeds of this tax may be spent only as  
13 follows:

14       (i) 0.1 percent only for high-priority projects;

15       (ii) 0.1 percent only for public transportation purposes, commute  
16 trip reduction programs, or high-priority projects, or a combination  
17 thereof;

18       (b) A local option vehicle license fee, as specified under RCW  
19 82.80.100, of up to one hundred dollars per vehicle registered in the  
20 district. As used in this subsection, "vehicle" means motor vehicle as  
21 defined in RCW 46.04.320. Certain classes of vehicles, as defined  
22 under chapter 46.04 RCW, may be exempted from this fee;

23       (c) A parking tax under RCW 82.80.030;

24       (d) A local motor vehicle excise tax under RCW 81.100.060 and  
25 chapter 81.104 RCW;

26       (e) A local option fuel tax under RCW 82.80.120;

27       (f) A mileage charge under section 16 of this act;

28       (g) An employer excise tax under RCW 81.100.030; and

29       ~~((g))~~ (h) With the approval of the transportation commission, or  
30 its successor, vehicle tolls on ~~((new or reconstructed facilities))~~ a  
31 local or regional arterial or state or federal highway within the  
32 boundaries of the district. The plan must identify the facilities to  
33 be tolled and the purpose of the toll. Unless otherwise specified by  
34 law or contract, the department shall administer the collection of  
35 vehicle tolls on designated facilities, and the state transportation  
36 commission, or its successor, shall be the tolling authority.

37       (2) Taxes, fees, and tolls may not be imposed without an  
38 affirmative vote of the majority of the voters within the boundaries of

1 the district voting on a ballot proposition as set forth in RCW  
2 36.120.070. Revenues from these taxes and fees may be used only to  
3 implement the plan as set forth in this chapter. A district may  
4 contract with the state department of revenue or other appropriate  
5 entities for administration and collection of any of the taxes or fees  
6 authorized in this section. In authorizing these revenue sources, it  
7 is the intent of the legislature to provide a range of options that can  
8 be tailored to meet the transportation needs identified by local  
9 elected officials, with voter approval. The legislature does not  
10 intend that all local option tax sources will be used by a single  
11 district, nor that each revenue source will necessarily be imposed to  
12 its maximum limit.

13 (3) Existing statewide motor vehicle fuel and special fuel taxes,  
14 at the distribution rates in effect on January 1, 2001, are not  
15 intended to be altered by this chapter.

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

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

20 (a) Reduced level of congestion and improved safety;

21 (b) Improved travel time;

22 (c) Improved air quality;

23 (d) Increases in daily and peak period person and vehicle trip  
24 capacity;

25 (e) Reductions in person and vehicle delay;

26 (f) Improved personal mobility;

27 (g) Improved freight mobility; and

28 ((+g)) (h) Cost-effectiveness of the investment.

29 (2) The planning committee shall develop and weight other criteria  
30 as necessary to ensure that high-priority projects are accomplished.

31 (3) Funding provided by this act for the Alaskan Way Viaduct  
32 project as a high-priority project shall not be spent for preliminary  
33 engineering, design, right of way acquisition, or construction on the  
34 project if it could have the effect of reducing roadway capacity on  
35 that facility.

36 (4) These criteria represent only minimum standards that must be

1 considered in selecting transportation improvement projects. The board  
2 shall also consider rules and standards for benchmarks adopted by the  
3 transportation commission or its successor.

4 **Sec. 7.** RCW 36.120.070 and 2002 c 56 s 107 are each amended to  
5 read as follows:

6 Two or more contiguous county legislative authorities under RCW  
7 36.120.030(1) and a county or county legislative authorities under RCW  
8 36.120.030(2), upon receipt of the regional transportation investment  
9 plan under RCW 36.120.040, may ~~((certify the plan to the ballot,~~  
10 ~~including identification of the tax options))~~ submit to the voters of  
11 the proposed district a single ballot measure that approves formation  
12 of the district, approves the regional transportation investment plan,  
13 and approves the revenue sources necessary to ((fund)) finance the  
14 plan. ~~((County legislative authorities))~~ The planning committee may  
15 draft ~~((a ballot title,))~~ the ballot measure on behalf of the county  
16 legislative authorities, and the county legislative authorities may  
17 give notice as required by law for ballot measures, and perform other  
18 duties as required to ~~((put the plan before))~~ submit the measure to the  
19 voters of the proposed district for their approval or rejection ~~((as a~~  
20 ~~single ballot measure that both approves formation of the district and~~  
21 ~~approves the plan))~~. Counties may negotiate interlocal agreements  
22 necessary to implement the plan. The electorate will be the voters  
23 voting within the boundaries of the participating counties. A simple  
24 majority of the total persons voting on the single ballot measure ~~((to~~  
25 ~~approve the plan, establish the district, and approve the taxes and~~  
26 ~~fees))~~ is required for approval of the measure.

27 **Sec. 8.** RCW 36.120.090 and 2002 c 56 s 109 are each amended to  
28 read as follows:

29 (1) The governing board of a district consists of the members of  
30 the legislative authority of each member county, acting ex officio and  
31 independently. The secretary of transportation or the appropriate  
32 regional administrator of the department, as named by the secretary,  
33 shall also serve as a nonvoting member of the board. For districts in  
34 counties under RCW 36.120.030(1), the governing board may elect an  
35 executive board of seven members to discharge the duties of the  
36 governing board subject to the approval of the full governing board.

1 (2) A sixty-percent majority of the weighted votes of the total  
2 board membership is required to submit to the county or counties a  
3 modified plan under RCW 36.120.140 or any other proposal to be  
4 submitted to the voters. The county or counties may, with majority  
5 vote of each county legislative authority, submit a modified plan or  
6 proposal to the voters.

7 **Sec. 9.** RCW 36.120.140 and 2003 c 194 s 2 are each amended to read  
8 as follows:

9 (1) The board may modify the plan to change transportation projects  
10 or revenue sources if:

11 (a) For districts in counties under RCW 36.120.030(1), two or more  
12 participating counties adopt a resolution to modify the plan((+)) and  
13 ((+b)) the counties submit to the voters in the district a ballot  
14 measure that redefines the scope of the plan, its projects, its  
15 schedule, its costs, or the revenue sources;

16 (b) For districts in counties under RCW 36.120.030(2), the board  
17 adopts a resolution to modify the plan and the county or counties  
18 submit to the voters in the district a ballot measure that redefines  
19 the scope of the plan, its projects, its schedule, its costs, or the  
20 revenue sources.

21 If the voters of either type of district fail to approve the  
22 redefined plan, the district shall continue to work on and complete the  
23 plan, and the projects in it, that was originally approved by the  
24 voters. If the voters approve the redefined plan, the district shall  
25 work on and complete the projects under the redefined plan.

26 (2) The board may modify the plan to change transportation projects  
27 within a participating county if:

- 28 (a) A majority of the board approves the change;
- 29 (b) The modifications are limited to projects within the county;
- 30 (c) The county submits to the voters in the county a ballot measure  
31 that redefines:
  - 32 (i) Projects;
  - 33 (ii) Scopes of projects; or
  - 34 (iii) Costs; and
  - 35 (iv) The financial plan for the county;
- 36 (d) The proposed modifications maintain the equity of the plan and

1 ((~~does~~ ~~do~~)) do not increase the total level of plan expenditure for  
2 the county.

3 If the voters fail to approve the modified plan, the district shall  
4 continue to work on and complete the plan, and the projects in it, that  
5 was originally approved by the voters. If the voters approve the  
6 redefined plan, the district shall work on and complete the projects  
7 under the redefined plan.

8 (3) If a transportation project cost exceeds its original cost by  
9 more than twenty percent as identified in the plan:

10 (a) The board shall, in coordination with the county legislative  
11 authorities, submit to the voters in the district or county a ballot  
12 measure that redefines the scope of the transportation project, its  
13 schedule, or its costs. If the voters fail to approve the redefined  
14 transportation project, the district shall terminate work on that  
15 transportation project, except that the district may take reasonable  
16 steps to use, preserve, or connect any improvement already constructed.  
17 The remainder of any funds that would otherwise have been expended on  
18 the terminated transportation project must first be used to retire any  
19 outstanding debt attributable to the plan and then may be used to  
20 implement the remainder of the plan.

21 (b) Alternatively for districts in counties under RCW  
22 36.120.030(1), upon adoption of a resolution by two or more  
23 participating counties:

24 (i) The counties shall submit to the voters in the district a  
25 ballot measure that redefines the scope of the plan, its transportation  
26 projects, its schedule, or its costs. If the voters fail to approve  
27 the redefined plan, the district shall terminate work on that plan,  
28 except that the district may take reasonable steps to use, preserve, or  
29 connect any improvement already constructed. The remainder of any  
30 funds must be used to retire any outstanding debt attributable to the  
31 plan; or

32 (ii) The counties may elect to have the district continue the  
33 transportation project without submitting an additional ballot proposal  
34 to the voters.

35 (4) To assure accountability to the public for the timely  
36 construction of the transportation improvement project or projects  
37 within cost projections, the district shall issue a report, at least  
38 annually, to the public and copies of the report to newspapers of

1 record in the district. In the report, the district shall indicate the  
2 status of transportation project costs, transportation project  
3 expenditures, revenues, and construction schedules. The report may  
4 also include progress towards meeting the performance criteria provided  
5 under this chapter.

6 **Sec. 10.** RCW 36.120.190 and 2002 c 56 s 201 are each amended to  
7 read as follows:

8 For districts in counties under RCW 36.120.030(1), at the option of  
9 the planning committee, and with the explicit approval of the regional  
10 transit authority, the participating counties may choose to impose any  
11 remaining high capacity transportation taxes under chapter 81.104 RCW  
12 that have not otherwise been used by a regional transit authority and  
13 submit to the voters a common ballot measure that creates the district,  
14 approves the regional transportation investment plan, implements the  
15 taxes, and implements any remaining high capacity transportation taxes  
16 within the boundaries of the regional transportation investment  
17 district. Collection and expenditures of any high capacity  
18 transportation taxes implemented under this section must be determined  
19 by agreement between the participating counties or district and the  
20 regional transit authority electing to submit high capacity  
21 transportation taxes to the voters under a common ballot measure as  
22 provided in this section. If the measure fails, all such unused high  
23 capacity transportation taxes revert back to and remain with the  
24 regional transit authority. A project constructed with this funding is  
25 not considered a "transportation project" under RCW 36.120.020.

26 **Sec. 11.** RCW 36.120.200 and 2002 c 56 s 401 are each amended to  
27 read as follows:

28 The regional transportation investment district account is created  
29 in the custody of the state treasurer. The purpose of this account is  
30 to act as an account into which may be deposited state money, if any,  
31 that may be used in conjunction with district money to fund  
32 transportation projects. Additionally, (~~the~~) districts may deposit  
33 funds into this account for disbursement, as appropriate, on  
34 transportation projects. Nothing in this section requires any state  
35 matching money. All money deposited in the regional transportation  
36 investment district account will be used for design, right of way

1 acquisition, capital acquisition, and construction, or for the payment  
2 of debt service associated with these activities, for regionally funded  
3 transportation projects developed under this chapter. Only the  
4 district may authorize expenditures from the account. The account is  
5 subject to allotment procedures under chapter 43.88 RCW. An  
6 appropriation is not required for expenditures from this account.

7 NEW SECTION. **Sec. 12.** A new section is added to chapter 36.120  
8 RCW to read as follows:

9 Notwithstanding any provision to the contrary in this chapter, a  
10 regional transportation investment district may impose vehicle tolls on  
11 local and regional arterials with the approval of the transportation  
12 commission, or its successor, and upon approval of a majority of the  
13 voters voting on a regional transportation investment plan ballot  
14 measure within its boundaries as authorized in this chapter. These  
15 tolls may be imposed to generate revenue to fund the regional  
16 transportation investment plan.

17 **Sec. 13.** RCW 47.56.076 and 2002 c 56 s 403 are each amended to  
18 read as follows:

19 With the approval of the transportation commission, or its  
20 successor, and upon approval of a majority of the voters within its  
21 boundaries voting on the ballot proposition, and only for the purposes  
22 authorized in RCW 36.120.050(1)((+f+)) (h), a regional transportation  
23 investment district may impose vehicle tolls on a state ((~~routes where~~  
24 ~~improvements financed in whole or in part by a regional transportation~~  
25 ~~investment district add additional lanes to, or reconstruct lanes on,~~  
26 ~~a highway of statewide significance)) or federal highway within the~~  
27 boundaries of the district. The department shall administer the  
28 collection of vehicle tolls on designated facilities unless otherwise  
29 specified in law or by contract, and the state transportation  
30 commission, or its successor, shall ((~~be the tolling authority~~)) set  
31 and impose the tolls in amounts sufficient to implement the regional  
32 transportation investment plan.

33 NEW SECTION. **Sec. 14.** A new section is added to chapter 47.56 RCW  
34 to read as follows:

35 Notwithstanding any provision to the contrary in this chapter, a

1 regional transportation investment district may impose vehicle tolls on  
2 either Lake Washington bridge upon approval of a majority of the voters  
3 voting on a regional transportation investment plan ballot measure  
4 within its boundaries as authorized in chapter 36.120 RCW and RCW  
5 47.56.076.

6 **Sec. 15.** RCW 82.14.430 and 2002 c 56 s 405 are each amended to  
7 read as follows:

8 (1) If approved by the majority of the voters within its boundaries  
9 voting on the ballot proposition, a regional transportation investment  
10 district may impose a sales and use tax of up to (~~(0.5)~~) 0.2 percent of  
11 the selling price or value of the article used in the case of a use  
12 tax. The tax authorized by this section is in addition to the tax  
13 authorized by RCW 82.14.030 and must be collected from those persons  
14 who are taxable by the state under chapters 82.08 and 82.12 RCW upon  
15 the occurrence of any taxable event within the taxing district. Motor  
16 vehicles are exempt from the sales and use tax imposed under this  
17 subsection.

18 (2) If approved by the majority of the voters within its boundaries  
19 voting on the ballot proposition, a regional transportation investment  
20 district may impose a tax on the use of a motor vehicle within a  
21 regional transportation investment district. The tax applies to those  
22 persons who reside within the regional transportation investment  
23 district. The rate of the tax may not exceed (~~(0.5)~~) 0.2 percent of  
24 the value of the motor vehicle. The tax authorized by this subsection  
25 is in addition to the tax authorized under RCW 82.14.030 and must be  
26 imposed and collected at the time a taxable event under RCW  
27 82.08.020(1) or 82.12.020 takes place. All revenue received under this  
28 subsection must be deposited in the local sales and use tax account and  
29 distributed to the regional transportation investment district  
30 according to RCW 82.14.050. The following provisions apply to the use  
31 tax in this subsection:

32 (a) Where persons are taxable under chapter 82.08 RCW, the seller  
33 shall collect the use tax from the buyer using the collection  
34 provisions of RCW 82.08.050.

35 (b) Where persons are taxable under chapter 82.12 RCW, the use tax  
36 must be collected using the provisions of RCW 82.12.045.



1 (c) "Motor vehicle" has the meaning provided in RCW 46.04.320, but  
2 does not include farm tractors or farm vehicles as defined in RCW  
3 46.04.180 and 46.04.181, off-road and nonhighway vehicles as defined in  
4 RCW 46.09.020, and snowmobiles as defined in RCW 46.10.010.

5 (d) "Person" has the meaning given in RCW 82.04.030.

6 (e) The value of a motor vehicle must be determined under RCW  
7 82.12.010.

8 (f) Except as specifically stated in this subsection (2), chapters  
9 82.12 and 82.32 RCW apply to the use tax. The use tax is a local tax  
10 imposed under the authority of chapter 82.14 RCW, and chapter 82.14 RCW  
11 applies fully to the use tax.

12 NEW SECTION. **Sec. 16.** A new section is added to chapter 82.80 RCW  
13 to read as follows:

14 (1) The legislative authority of a regional transportation  
15 investment district may impose a charge based upon vehicle miles  
16 traveled. This charge may be, but is not limited to, a charge upon the  
17 vehicle miles traveled within the district by a vehicle, upon vehicle  
18 miles traveled within certain corridors in the district, or upon total  
19 vehicle miles traveled by a vehicle registered to a person whose legal  
20 residence is within the district.

21 (2) Charges imposed may be collected either periodically in a  
22 manner prescribed by the district or annually by the department of  
23 licensing upon renewal of the vehicle license. The district may  
24 identify categories of miles driven that are subject to or exempt from  
25 the charge, including but not limited to, travel outside the district,  
26 travel in specified corridors, or exempt or maximum mileage charges.

27 (3) The mileage charge under this section is subject to the  
28 approval of the transportation commission or its statutory successor  
29 and of a majority of the voters within the district boundaries voting  
30 on formation of the district. The mileage charge must be part of the  
31 investment plan of the district.

32 NEW SECTION. **Sec. 17.** If any provision of this act or its  
33 application to any person or circumstance is held invalid, the  
34 remainder of the act or the application of the provision to other

1 persons or circumstances is not affected.

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