## ESSB 5988 - H COMM AMD By Committee on Transportation

- 1 Strike everything after the enacting clause and insert the 2 following:
- "NEW SECTION. Sec. 1. (1) An additive transportation budget of 3 the state is hereby adopted and, subject to the provisions set forth, 4 5 the several amounts specified, or as much thereof as may be necessary to accomplish the purposes designated, are hereby appropriated from 6 7 the several accounts and funds named to the designated state agencies and offices for employee compensation and other expenses, for capital 8 9 projects, and for other specified purposes, including the payment of any final judgments arising out of such activities, for the period 10 ending June 30, 2017. 11
- 12 (2) It is the intent of the legislature that the funding levels
  13 specified in LEAP Transportation Documents 2015 NLH-1, NLH-2, and
  14 NLH-3 as developed April 12, 2015, represents a commitment to provide
  15 appropriations to the agencies, programs, and activities at the
  16 amounts identified therein through fiscal year 2031.
- 17 (3) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this act.
- 19 (a) "Fiscal year 2016" or "FY 2016" means the fiscal year ending 20 June 30, 2016.
- 21 (b) "Fiscal year 2017" or "FY 2017" means the fiscal year ending 22 June 30, 2017.
- 23 (c) "FTE" means full-time equivalent.
- 24 (d) "Lapse" or "revert" means the amount shall return to an 25 unappropriated status.
- (e) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose that is not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.
- 32 (f) "Reappropriation" means appropriation and, unless the context 33 clearly provides otherwise, is subject to the relevant conditions and 34 limitations applicable to appropriations.

1	(g) "LEAP" means the legislative evaluation and accountability
2	program committee.
3	(h) "TEIS" means the transportation executive information system.
4	2015-2017 FISCAL BIENNIUM
5	GENERAL GOVERNMENT AGENCIES—OPERATING
6	NEW SECTION. Sec. 101. FOR THE STATE PARKS AND RECREATION
7	COMMISSION
8	Snowmobile Account—State Appropriation \$398,000
9	NEW SECTION. Sec. 102. FOR THE RECREATION AND CONSERVATION
10	FUNDING BOARD
11	Recreation Resource Account—State Appropriation \$3,528,000
12	NEW SECTION. Sec. 103. FOR THE DEPARTMENT OF NATURAL RESOURCES
13	ORV and Nonhighway Vehicle Account—State
14	Appropriation
15	Nonhighway and Off-Road Vehicle Activities Program
16	Account—State Appropriation \$1,972,000
17	TOTAL APPROPRIATION
18	TRANSPORTATION AGENCIES—OPERATING
19	NEW SECTION. Sec. 201. FOR THE JOINT TRANSPORTATION COMMITTEE
20	Motor Vehicle Account—State Appropriation \$450,000
21	The appropriation in this section is subject to the following
22	conditions and limitations: \$450,000 of the motor vehicle account—
23	state appropriation is for the joint transportation committee for the
24	design-build contracting review panel established in chapter
25	(Engrossed Substitute Senate Bill No. 5997), Laws of 2015. The
26	department of transportation must provide technical assistance, as
27	necessary. If chapter (Engrossed Substitute Senate Bill No.
28	5997), Laws of 2015 is not enacted by June 30, 2015, the amount
29	provided in this subsection lapses.
30	NEW SECTION. Sec. 202. FOR THE TRANSPORTATION COMMISSION
31	Motor Vehicle Account—State Appropriation \$50,000

Code Rev/BP:lel 2 H-2723.1/15

1 The appropriation in this section is subject to the following 2 conditions and limitations: \$50,000 of the motor vehicle account state appropriation is provided for a disadvantaged business entity 3 is formed 4 advisory committee that and administered by 5 transportation commission. The intent of the advisory committee is to provide accountability and transparency regarding 6 disadvantaged business entity spending levels and participation on state funded 7 transportation projects. The advisory committee shall create a 8 9 mission, vision, goals, and a work plan to complete goals and issue a 10 report with recommendations to the house and senate transportation December 31, 2016. The 11 committees bv state department 12 transportation, office of minority and women's business enterprises, 13 department of labor, and other relevant state agencies shall be 14 available to assist in supplying necessary data and information to 15 fulfill the advisory committee's purpose. The fifteen-member advisory committee shall meet at least four times in the 2015-2017 biennium. 16 17 The members shall jointly be appointed by the speaker of the house and the president of the senate and shall receive input on nominees 18 19 from the commission on Hispanic affairs, commission on African 20 affairs, commission on Asian Pacific affairs, and office of Indian 21 affairs with at least one member from each commission or office being member from each caucus 22 appointed. One in the house οf representatives and senate shall also be appointed to the advisory 23 committee. Up to fifty thousand dollars shall be provided to the 24 25 transportation commission for the purpose of assisting the advisory committee and reimbursement costs for member participation. 26

#### NEW SECTION. Sec. 203. FOR THE DEPARTMENT OF LICENSING

28 Motor Vehicle Account—State Appropriation. . . . . . . . \$4,000,000

The appropriation in this section is subject to the following conditions and limitations: \$4,000,000 of the motor vehicle account—

- 31 state appropriation is provided solely for implementation of
- 32 chapter ... (Engrossed Substitute Senate Bill No. 5987)
- 33 (transportation revenue), Laws of 2015.

#### NEW SECTION. Sec. 204. FOR THE DEPARTMENT OF TRANSPORTATION—

#### 35 **HIGHWAY MAINTENANCE—PROGRAM M**

27

36 Connecting Washington Account—State Appropriation. . . . \$6,250,000

1	NEW SECTION. Sec. 205. FOR THE DEPARTMENT OF TRANSPORTATION—
2	TRAFFIC OPERATIONS—PROGRAM Q
3	Connecting Washington Account—State Appropriation \$3,125,000

## NEW SECTION. Sec. 206. FOR THE DEPARTMENT OF TRANSPORTATION— TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S

6 Multimodal Transportation Account—State Appropriation. . . \$1,500,000

7 The appropriation in this section is subject to the following \$1,500,000 8 conditions and limitations: of the multimodal 9 transportation account—state appropriation is provided solely for a grant program that makes awards for the following: (1) Support for 10 11 nonprofit agencies, churches, and other entities to help provide 12 populations underrepresented in the outreach apprenticeship programs; (2) preapprenticeship training; 13 and (3)14 transportation and other supports that are needed to help women and 15 minorities enter and succeed in apprenticeship. The department must 16 report on grants that have been awarded and the amount of funds 17 disbursed by December 1, 2015, and annually thereafter.

# NEW SECTION. Sec. 207. FOR THE DEPARTMENT OF TRANSPORTATION— 19 PUBLIC TRANSPORTATION—PROGRAM V

20 Regional Mobility Grant Program Account—State

4

5

21

28

2930

31

3233

3435

36

22 Rural Mobility Grant Program Account—State

24 Multimodal Transportation Account—State Appropriation. . \$27,000,000

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

(1) \$7,000,000 of the multimodal transportation account—state appropriation is for the projects listed in LEAP Transportation Document 2015 NLH-3 TRANSIT PROJECTS as developed April 12, 2015; and for King county metro transit: \$3,000,000 for Route 40 Northgate to downtown via Ballard for speed and reliability improvements along the corridor, \$3,000,000 for Route 48N University Link Station to Loyal Heights for speed and reliability improvements along the corridor, \$3,000,000 for 67th to Fremont Transit Corridor for speed and reliability improvements along the corridor, and \$3,000,000 for Route

- 1 43 and Route 44 Ballard to University District for speed and 2 reliability improvements along the corridor.
  - (2) \$3,740,000 of the multimodal transportation account—state appropriation is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers must be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost-effectiveness of trips provided.
  - (3) \$13,260,000 of the multimodal transportation account—state appropriation is provided solely for grants to transit agencies to transport persons with special transportation needs. Grants for transit agencies must be prorated based on the amount expended for demand response service and route deviated service in calendar year 2013 as reported in the "Summary of Public Transportation 2013" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions.
  - (4) \$9,000,000 of the rural mobility grant program account—state appropriation is provided solely for grants to aid small cities in rural areas as prescribed in RCW 47.66.100.
  - (5) \$2,000,000 of the multimodal transportation account—state appropriation is provided solely for a vanpool grant program for: (a) Public transit agencies to add vanpools or replace vans; and (b) incentives for employers to increase employee vanpool use. The grant program for public transit agencies must cover capital costs only. Operating costs for public transit agencies are not eligible for funding under this grant program. Additional employees may not be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. The department must encourage grant applicants and recipients to leverage funds other than state funds.
  - (6)(a) \$1,000,000 of the multimodal transportation account—state appropriation is provided solely for grants to transit agencies located in counties with a population of seven hundred thousand or more that border Puget Sound to fund projects that further integration and coordination between two or more such agencies.
- 36 (b) The projects selected must involve one or more of the 37 following criteria:
  - (i) Aligning fare structures;

(ii) Integrating service planning;

- 1 (iii) Coordinating long-range planning, including capital 2 projects planning and implementation;
- 3 (iv) Integrating administrative functions and internal business
  4 practices; or
  - (v) Integrating customer-focused tools and initiatives.
- 6 (c) The transit agencies selected by the department to receive a 7 grant must match the grant amount on at least a dollar for dollar 8 basis.

#### 9 TRANSPORTATION AGENCIES—CAPITAL

10	NEW	SECTION.	Sec.	301.	FOR	THE	FREIGHT	MOBILITY	STRATEGIC
----	-----	----------	------	------	-----	-----	---------	----------	-----------

11 INVESTMENT BOARD

5

12 Freight Mobility Investment Account—State Appropriation. . \$8,300,000

#### 13 <u>NEW SECTION.</u> Sec. 302. FOR THE TRANSPORTATION IMPROVEMENT BOARD

- 14 Transportation Improvement Account—State Appropriation. . \$3,600,000
- 15 Connecting Washington Account—State Appropriation. . . . \$10,000,000
- 17 The appropriations in this section are subject to the following
- 18 conditions and limitations: \$10,000,000 of the connecting Washington
- 19 account—state appropriation is provided solely for the complete
- 20 streets program.

#### 21 NEW SECTION. Sec. 303. FOR THE COUNTY ROAD ADMINISTRATION BOARD

- 22 Rural Arterial Trust Account—State Appropriation. . . . . \$1,800,000
- 23 County Arterial Preservation Account—State Appropriation. \$1,800,000

#### 25 NEW SECTION. Sec. 304. FOR THE DEPARTMENT OF TRANSPORTATION—

- 26 IMPROVEMENTS—PROGRAM I
- 27 Connecting Washington Account—State Appropriation. . . . \$145,325,000
- The appropriation in this section is subject to the following conditions and limitations:
- 30 (1) Except as provided otherwise in this section, the entire
- 31 connecting Washington account appropriation is for the projects and
- 32 activities as listed by fund, project, and amount in LEAP
- 33 Transportation Document 2015 NLH-1 as developed April 12, 2015,

- 1 Program Highway Improvements Program (I); for the Interstate 5
- 2 Marine View Drive to State Route 528 project; for the Interstate
- 3 5/116th Street Interchange project; for the Interstate 90/Front
- 4 Street Interchange justification report; for the State Route
- 5 520/148th Ave NE Overlake Access Ramp project in the 2017-2019
- 6 biennium; for design work on the State Route 522/Paradise Lake Road
- 7 Interchange project; and for design work for the US Highway 2 Trestle
- 8 project.

- 9 (2) The connecting Washington account—state appropriation 10 includes up to \$15,515,000 in proceeds from the sale of bonds 11 authorized by chapter . . . (House Bill No. 1298), Laws of 2015.
- 12 (3) In making budget allocations to the Puget Sound Gateway 13 project (M00600R), the department shall implement the project's 14 construction as a single corridor investment. The department shall develop a coordinated corridor construction and implementation plan 15 167 and 16 state route number state route number 509 17 collaboration with affected stakeholders. Specific allocations must be based on where and when specific project segments 18 19 are ready for construction to move forward and investments can be best optimized for timely project completion. Emphasis must be placed 20 21 on avoiding gaps in fund expenditures for either project.

## NEW SECTION. Sec. 305. FOR THE DEPARTMENT OF TRANSPORTATION— 23 PRESERVATION—PROGRAM P

24 Connecting Washington Account—State Appropriation. . . \$87,333,000

25 The appropriation in this section is subject to the following 26 conditions and limitations: The entire connecting Washington account

appropriation in this section is for the projects and activities as

- 28 listed in LEAP Transportation Document 2015 NLH-1 as developed April
- 29 12, 2015, Program Highway Preservation Program (P).

### 30 <u>NEW SECTION.</u> Sec. 306. FOR THE DEPARTMENT OF TRANSPORTATION—

#### 31 WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W

- 32 Connecting Washington Account—State Appropriation. . . . \$32,177,000
- 33 Multimodal Transportation Account—State Appropriation. . . \$9,028,000
- The appropriations in this section are subject to the following

36 conditions and limitations:

- 1 (1) The entire connecting Washington account appropriation in 2 this section is for the projects and activities as listed in LEAP 3 Transportation Document 2015 NLH-1 as developed April 12, 2015, 4 Program - Washington State Ferries Capital Program (W).
- (2) Within existing resources, the department must evaluate the 5 6 feasibility of utilizing the federal EB-5 immigrant investor program for financing the construction of a safety of life at sea (SOLAS) 7 certificated vessel for the Anacortes-Sidney ferry 8 department must establish a group that includes, but is not limited 9 to, the department of commerce and entities or 10 experienced with vessel engineering and EB-5 financing for assistance 11 in evaluating the applicability of the EB-5 immigrant investor 12 program. The department must deliver a report containing the results 13 14 of the evaluation to the transportation committees of the legislature and the office of financial management by December 1, 2015. 15
  - (3) \$96,502,000 in state funds is to be provided over the life of the project for completion of the Seattle terminal replacement project, including: (a) Design work and selection of a preferred plan; (b) replacing timber pilings with pilings sufficient to support a selected terminal design; (c) replacing the timber portion of the dock with a new and reconfigured steel and concrete dock; and (d) other staging and construction work as the amount allows.
- 23 (4) \$99,000,000 in state funds is to be provided over the life of 24 the project for the acquisition of a 144-car vessel.
- (5) \$68,600,000 in state funds is to be provided over the life of the project for the completion of the Mukilteo terminal replacement project.

### NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF TRANSPORTATION—

#### 29 RAIL—PROGRAM Y

16

17

18

19

2021

22

30 Multimodal Transportation Account—State

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation in this section is for the projects and activities as listed in LEAP Transportation Document 2015 NLH-1 as developed April 12, 2015, Program - Rail Program (Y).

#### 1 NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF TRANSPORTATION—

#### 2 LOCAL PROGRAMS—PROGRAM Z

6

7

8

9

10

11

12

13 14

15

16 17

18

19 20

21

25

26

27

2829

3031

32

3334

Multimodal Transportation Account—State Appropriation. . \$15,000,000
Connecting Washington Account—State Appropriation. . . \$14,725,000
TOTAL APPROPRIATION. . . . . . . . . . . . . . \$29,725,000

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

- (1) Except as provided otherwise in this section, the entire connecting Washington account appropriation is for the projects and listed by fund, project, and activities as amount in LEAP Transportation Document 2015 NLH-1 as developed April 12, 2015, Program - Local Programs (Z); for design, right-of-way purchase, and funds for matching grants to fund construction on the SR 523 145th Street project; for the SR 99 Revitalization in Edmonds project; for the Harbour Reach Extension project; for the Covington Connector project; for the 41st Street Rucker Ave Freight Corridor Phase 2 \$5,000,000 for the Community Facilities project; Improvements (Redmond) project in the 2015-2017 biennium; \$1,500,000 for the 41st Street Rucker Ave Freight Corridor in Everett project in the 2015-2017 biennium; and except for the SR 509 Bridge Connection to 28th/24th Ave S. project.
- 22 (2) \$5,000,000 of the multimodal transportation account—state 23 appropriation is provided solely for the pedestrian and bicycle 24 safety program.
  - (3) \$3,000,000 of the multimodal transportation account—state appropriation is provided solely for newly selected safe routes to schools projects. The department may consider the special situations facing high-need areas, as defined by schools or project areas in which the percentage of the children eligible to receive free and reduced-price meals under the national school lunch program is equal to, or greater than, the state average as determined by the department, when evaluating project proposals against established funding criteria while ensuring continued compliance with federal eligibility requirements.
- 35 (4) \$7,000,000 of the multimodal transportation account—state 36 appropriation is for the projects listed in LEAP Transportation 37 Document 2015 NLH-2 PEDESTRIAN AND BICYCLE SAFETY PROJECTS as 38 developed April 12, 2015.

2	NEW SECTION. Sec. 401. FOR THE STATE TREASURER—BOND RETIREMENT
3	AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
4	BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND
5	TRANSPORTATION FUND REVENUE
6	Connecting Washington Account—State Appropriation \$78,000
7	NEW SECTION. Sec. 402. FOR THE STATE TREASURER—BOND RETIREMENT
8	AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
9	BOND SALE EXPENSES AND FISCAL AGENT CHARGES
10	Connecting Washington Account—State Appropriation \$16,000
11	NEW SECTION. Sec. 403. FOR THE STATE TREASURER—STATE REVENUES
12	FOR DISTRIBUTION
13	Motor Vehicle Account—State Appropriation: For motor
14	vehicle fuel tax distributions to cities and
15	counties
16	NEW SECTION. Sec. 404. FOR THE STATE TREASURER—TRANSFERS
17	Motor Vehicle Account—State Appropriation: For motor
18	vehicle fuel tax refunds and transfers \$27,150,000
19	NEW SECTION. Sec. 405. FOR THE STATE TREASURER—ADMINISTRATIVE
20	TRANSFERS
21	(1) State Patrol Highway Account—State Appropriation:
22	For transfer to the Connecting Washington Account—State \$9,700,000
23	(2) Transportation Partnership Account—State
24	Appropriation: For transfer to the Connecting Washington
25	Account—State
26	(3) Motor Vehicle Account—State Appropriation:
27	For transfer to the Connecting Washington Account—
28	State
29	(4) Puget Sound Ferry Operations Account—State
30	Appropriation: For transfer to the Connecting Washington
31	Account—State
32	
	(5) Transportation 2003 Transportation (Nickel)
33	
33 34	(5) Transportation 2003 Transportation (Nickel)

1	(6) Highway Safety Account—State Appropriation:
2	For transfer to the Multimodal Transportation
3	Account—State
4	(7) Motor Vehicle Account—State Appropriation:
5	For transfer to the Transportation Improvement
6	Account—State
7	(8) Motor Vehicle Account—State Appropriation:
8	For transfer to the Rural Arterial Trust Account—State \$1,800,000
9	(9) Motor Vehicle Account—State Appropriation:
10	For transfer to the County Arterial Preservation
11	Account—State
12	(10) Multimodal Transportation Account—State
13	Appropriation: For transfer to the Regional Mobility
14	Grant Program Account—State
15	(11) Multimodal Transportation Account—State
16	Appropriation: For transfer to the Rural Mobility
17	Grant Program Account—State
1.0	MTGGELT ANEOUG

### 18 MISCELLANEOUS

28

29

30

3132

33

- 19 **Sec. 501.** RCW 46.68.030 and 2011 c 171 s 85 are each amended to 20 read as follows:
- (1) The director shall forward all fees for vehicle registrations under chapters 46.16A and 46.17 RCW, unless otherwise specified by law, to the state treasurer with a proper identifying detailed report. The state treasurer shall credit these moneys to the motor vehicle fund created in RCW 46.68.070.
- 26 (2) Proceeds from vehicle license fees and renewal vehicle 27 license fees must be deposited by the state treasurer as follows:
  - (a) \$20.35 of each initial or renewal vehicle license fee must be deposited in the state patrol highway account in the motor vehicle fund, hereby created. Vehicle license fees, renewal vehicle license fees, and all other funds in the state patrol highway account must be for the sole use of the Washington state patrol for highway activities of the Washington state patrol, subject to proper appropriations and reappropriations.
- 35 (b) \$2.02 of each initial vehicle license fee and \$0.93 of each 36 renewal vehicle license fee must be deposited each biennium in the 37 Puget Sound ferry operations account.

- 1 (c) Any remaining amounts of vehicle license fees and renewal 2 vehicle license fees that are not distributed otherwise under this 3 section must be deposited in the motor vehicle fund.
- 4 (3) During the 2015-2017 fiscal biennium, the legislature may
  5 transfer from the state patrol highway account to the connecting
  6 Washington account such amounts as reflect the excess fund balance of
  7 the state patrol highway account.
- 8 **Sec. 502.** RCW 46.68.280 and 2003 c 361 s 601 are each amended to 9 read as follows:

1213

14 15

16

17 18

19 20

21

22

23

- (1) The transportation 2003 account (nickel account) is hereby created in the motor vehicle fund. Money in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as transportation 2003 projects or improvements in the omnibus transportation budget and to the principal and interest on the bonds authorized for transportation 2003 projects or improvements. Upon completion of the projects or improvements identified as transportation 2003 projects or improvements, moneys deposited in this account must only be used to pay the principal and interest on the bonds authorized for transportation 2003 projects or improvements, and any funds in the account in excess of the amount necessary to make the principal and interest payments may be used for maintenance on the completed projects or improvements.
- (2) <u>During the 2015-2017 fiscal biennium</u>, the <u>legislature may</u> transfer from the transportation 2003 account (nickel account) to the connecting Washington account such amounts as reflect the excess fund balance of the transportation 2003 account (nickel account).
- 28 (3) The "nickel account" means the transportation 2003 account.
- 29 **Sec. 503.** RCW 46.68.290 and 2006 c 337 s 5 are each amended to 30 read as follows:
- (1) The transportation partnership account is hereby created in 31 the state treasury. All distributions to the account from RCW 32 46.68.090 must be deposited into the account. Money in the account 33 may be spent only after appropriation. Expenditures from the account 34 must be used only for projects or improvements identified as 2005 35 transportation partnership projects or improvements in the omnibus 36 37 transportation appropriations act, including any principal interest on bonds authorized for the projects or improvements. 38

Code Rev/BP:lel 12 H-2723.1/15

(2) The legislature finds that:

- (a) Citizens demand and deserve accountability of transportation-related programs and expenditures. Transportation-related programs must continuously improve in quality, efficiency, and effectiveness in order to increase public trust;
- (b) Transportation-related agencies that receive tax dollars must continuously improve the way they operate and deliver services so citizens receive maximum value for their tax dollars; and
- (c) Fair, independent, comprehensive performance audits of transportation-related agencies overseen by the elected state auditor are essential to improving the efficiency, economy, and effectiveness of the state's transportation system.
  - (3) For purposes of chapter 314, Laws of 2005:
- (a) "Performance audit" means an objective and systematic assessment of a state agency or agencies or any of their programs, functions, or activities by the state auditor or designee in order to help improve agency efficiency, effectiveness, and accountability. Performance audits include economy and efficiency audits and program audits.
- (b) "Transportation-related agency" means any state agency, board, or commission that receives funding primarily for transportation-related purposes. At a minimum, the department of transportation, the transportation improvement board or its successor entity, the county road administration board or its successor entity, and the traffic safety commission are considered transportation-related agencies. The Washington state patrol and the department of licensing shall not be considered transportation-related agencies under chapter 314, Laws of 2005.
- (4) Within the authorities and duties under chapter 43.09 RCW, the state auditor shall establish criteria and protocols for performance audits. Transportation-related agencies shall be audited using criteria that include generally accepted government auditing standards as well as legislative mandates and performance objectives established by state agencies. Mandates include, but are not limited to, agency strategies, timelines, program objectives, and mission and goals as required in RCW 43.88.090.
- (5) Within the authorities and duties under chapter 43.09 RCW, the state auditor may conduct performance audits for transportation-related agencies. The state auditor shall contract with private firms to conduct the performance audits.

1 (6) The audits may include:

2

3

4

5

7

8

10 11

12

13

14

15

16 17

18

19

2021

22

23

24

25

26

27

28

31

3435

- (a) Identification of programs and services that can be eliminated, reduced, consolidated, or enhanced;
- (b) Identification of funding sources to the transportation-related agency, to programs, and to services that can be eliminated, reduced, consolidated, or enhanced;
- (c) Analysis of gaps and overlaps in programs and services and recommendations for improving, dropping, blending, or separating functions to correct gaps or overlaps;
- (d) Analysis and recommendations for pooling information technology systems used within the transportation-related agency, and evaluation of information processing and telecommunications policy, organization, and management;
- (e) Analysis of the roles and functions of the transportation-related agency, its programs, and its services and their compliance with statutory authority and recommendations for eliminating or changing those roles and functions and ensuring compliance with statutory authority;
- (f) Recommendations for eliminating or changing statutes, rules, and policy directives as may be necessary to ensure that the transportation-related agency carry out reasonably and properly those functions vested in the agency by statute;
- (g) Verification of the reliability and validity of transportation-related agency performance data, self-assessments, and performance measurement systems as required under RCW 43.88.090;
- (h) Identification of potential cost savings in the transportation-related agency, its programs, and its services;
  - (i) Identification and recognition of best practices;
- 29 (j) Evaluation of planning, budgeting, and program evaluation 30 policies and practices;
  - (k) Evaluation of personnel systems operation and management;
- 32 (1) Evaluation of purchasing operations and management policies 33 and practices;
  - (m) Evaluation of organizational structure and staffing levels, particularly in terms of the ratio of managers and supervisors to nonmanagement personnel; and
- (n) Evaluation of transportation-related project costs, including but not limited to environmental mitigation, competitive bidding practices, permitting processes, and capital project management.

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

- (8) The state auditor shall provide final performance audit reports to the citizens of Washington, the governor, the joint legislative audit and review committee, the appropriate legislative committees, and other appropriate officials. Final performance audit reports shall be posted on the internet.
- (9) The audited transportation-related agency is responsible for follow-up and corrective action on all performance audit findings and recommendations. The audited agency's plan for addressing each audit finding and recommendation shall be included in the final audit report. The plan shall provide the name of the contact person responsible for each action, the action planned, and the anticipated completion date. If the audited agency does not agree with the audit findings and recommendations or believes action is not required, then the action plan shall include an explanation and specific reasons.

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

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

- (10) For the period from July 1, 2005, until June 30, 2007, the amount of \$4,000,000 is appropriated from the transportation partnership account to the state auditors office for the purposes of subsections (2) through (9) of this section.
- 39 <u>(11) During the 2015-2017 fiscal biennium, the legislature may</u>
  40 <u>transfer from the transportation partnership account to the</u>
  Code Rev/BP:lel 15 H-2723.1/15

- 1 connecting Washington account such amounts as reflect the excess fund
- 2 <u>balance of the transportation partnership account.</u>
- 3 Sec. 504. RCW 47.60.530 and 2011 1st sp.s. c 16 s 1 are each 4 amended to read as follows:
- 5 (1) The Puget Sound ferry operations account is created in the 6 motor vehicle fund.
  - (2) The following funds must be deposited into the account:
  - (a) All moneys directed by law;

8

9

12

- (b) All revenues generated from ferry fares; and
- 10 (c) All revenues generated from commercial advertising, 11 concessions, parking, and leases as allowed under RCW 47.60.140.
  - (3) Moneys in the account may be spent only after appropriation.
- 13 (4) Expenditures from the account may be used only for the 14 maintenance, administration, and operation of the Washington state 15 ferry system.
- 16 (5) During the 2015-2017 fiscal biennium, the legislature may
  17 transfer from the Puget Sound ferry operations account to the
  18 connecting Washington account such amounts as reflect the excess fund
  19 balance of the Puget Sound ferry operations account.
- NEW SECTION. Sec. 505. 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. 506. 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."
- 28 Correct the title.

<u>EFFECT:</u> Strikes the underlying bill and replaces it with an appropriations act for the 2015-2017 fiscal biennium that: (1) Makes a total of \$459.75 million in additive appropriations to state transportation agencies and programs, cities, and counties; (2) transfers amounts between accounts; and (3) amends account usages to permit the transfers.

INDEX	PAGE ‡
COUNTY ROAD ADMINISTRATION BOARD	6
DEPARTMENT OF LICENSING	3
DEPARTMENT OF NATURAL RESOURCES	2
DEPARTMENT OF TRANSPORTATION	
HIGHWAY MAINTENANCE-PROGRAM M	3
IMPROVEMENTS-PROGRAM I	6
LOCAL PROGRAMS-PROGRAM Z	9
PRESERVATION-PROGRAM P	7
PUBLIC TRANSPORTATION-PROGRAM V	4
RAIL—PROGRAM Y	8
TRAFFIC OPERATIONS-PROGRAM Q	4
TRANSPORTATION MANAGEMENT AND SUPPORT-PROGRAM S	4
WASHINGTON STATE FERRIES CONSTRUCTION-PROGRAM W	7
FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD	6
JOINT TRANSPORTATION COMMITTEE	2
RECREATION AND CONSERVATION FUNDING BOARD	2
STATE PARKS AND RECREATION COMMISSION	2
STATE TREASURER	
ADMINISTRATIVE TRANSFERS	10
BOND RETIREMENT AND INTEREST	10, 10
STATE REVENUES FOR DISTRIBUTION	. 10
TRANSFERS	. 10
TRANSPORTATION COMMISSION	2
TRANSPORTATION IMPROVEMENT BOARD	6

--- END ---