

FINAL BILL REPORT

ESHB 2615

PARTIAL VETO

C 175 L 98

Synopsis as Enacted

Brief Description: Creating partnerships for strategic freight investments.

Sponsors: By House Committee on Transportation Policy & Budget (originally sponsored by Representatives K. Schmidt, Fisher, Robertson, Mitchell, Wensman, O'Brien, Wood, Ogden, Gardner, Thompson and Conway; by request of Governor Locke).

House Committee on Transportation Policy & Budget

Background: During the 1996 interim, the Legislative Transportation Committee (LTC) appointed the Freight Mobility Advisory Committee (FMAC) to analyze the state's freight mobility needs, identify high-priority freight transportation projects, and make policy recommendations to the Legislature.

One of the key recommendations from the FMAC was that the state take the lead in establishing a freight transportation program that would forge funding partnerships between the state, counties, cities, ports and private industry for transportation improvements along strategic freight corridors.

The next interim, the Freight Mobility Project Prioritization Committee (FMPPC) was established to further develop state policies to enhance the freight transportation system. This committee consisted of representatives from cities, counties, ports, railroads, trucking and the state Department of Transportation (DOT). The FMPPC recommended specific criteria for use in ranking freight mobility projects. The committee also analyzed proposed freight projects and applied the priority criteria, which yielded the freight mobility project list.

The new federal surface transportation act reauthorization bill is expected to provide the funds for grants for conducting joint transportation planning activities. Authorization is needed to take advantage of this federal funding opportunity.

Summary: A freight mobility strategic investment program is created for the purpose of reviewing, evaluating and recommending funding for freight transportation projects that are of strategic importance to the state.

The Freight Mobility Strategic Investment Board (FMSIB) oversees administration of this program. The board is composed of representatives from the cities, counties,

ports, railroads, steamship operators, trucking, the Governor's office and the DOT. The FMSIB must appoint a professional administrator. Other staff support is initially provided by the Transportation Improvement Board (TIB), the County Road Administration Board (CRAB), and the DOT as needs arise. The board is required to develop a long-term staffing plan and submit that plan to the Office of Financial Management (OFM) and the Legislature for review and approval.

Minimum project eligibility criteria are specified in statute, and project priority criteria are incorporated from the recommendations of the FMPPC. After administering the program for a full biennium, the FMSIB may adjust the criteria as necessary to ensure that the program meets legislative intent.

After evaluating all proposed freight mobility projects, the FMSIB selects the top ranking projects and submits them as a "project portfolio" to the OFM and the Legislature for funding consideration. The board is directed to leverage the most partnership funding possible. "Partnership funding" means non-state funding, except that TIB and CRAB funds may be considered as partnership funding. The FMSIB is also directed to weigh the partnership funding element more heavily in the project selection criteria. The board must ensure that no project is more appropriately funded by another fund source or program. The projects selected for the portfolio must primarily benefit the movement of freight.

In allocating funds for the program, the FMSIB must allocate the first 55 percent of funds to the highest ranking projects, regardless of location. The remaining funds must be allocated evenly among three regions of the state: eastern region, Puget Sound region and western region. If a project in the portfolio is not ready to proceed at the time the Legislature is making its funding decisions, that project will be removed and the next highest rated project will take its place. The removed project retains its position in the priority ranking so as to be eligible for funding during the next funding cycle.

In addition to its other responsibilities, the FMSIB is directed to review and make recommendations concerning the operational inefficiencies affecting freight mobility, including policies that reduce congestion in truck lanes at border crossings and weigh stations.

The DOT is directed to make incentive grants to regional transportation planning agencies that share a border with Canada for the purpose of conducting joint transportation planning activities. Port districts are required to submit their development plans to cities, counties and regional transportation planning organizations to enhance joint planning for freight transportation solutions.

The requirement that state funding for any freight mobility project not exceed 50 percent is removed and replaced with a requirement that the FMSIB give greater

weight in the project selection criteria to those projects having the highest levels of funding partnerships, using 20 percent as a guideline for minimum financial participation by partners.

The FMSIB, rather than the Transportation Commission, is directed to administer the program.

Votes on Final Passage:

House 97 1
Senate 35 14

Effective: June 11, 1998

Partial Veto Summary: Provisions establishing incentive grants to transportation planning organizations that border Canada, which would help attract federal transportation funds, were vetoed.

Provisions requiring the Governor to make appointments to the Freight Mobility Strategic Investment Board prior to July 1, 1998, were vetoed.

The \$25 million loan from the state general fund to the motor vehicle fund for highway construction projects to be used on the state highway system was vetoed.