H-1207.1			

HOUSE BILL 1717

State of Washington 61st Legislature 2009 Regular Session

By Representatives Clibborn, Armstrong, Wood, Warnick, and Klippert Read first time 01/27/09. Referred to Committee on Transportation.

AN ACT Relating to extending the time period for a franchise agreement for a rail line over the Milwaukee Road corridor; amending RCW 79A.05.115, 79A.05.120, 79A.05.125, and 79A.05.130; providing an effective date; providing contingent expiration dates; and declaring an emergency.

- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 **Sec. 1.** RCW 79A.05.115 and 2006 c 160 s 1 are each amended to read 8 as follows:
- 9 (1) The commission shall develop and maintain a cross-state trail 10 facility with appropriate appurtenances.
- (2) This section expires July 1, ((2009)) 2019, if the department of transportation does not enter into a franchise agreement for a rail line over the portions of the Milwaukee Road corridor between
- 14 Ellensburg and Lind by July 1, ((2009)) 2019.
- 15 **Sec. 2.** RCW 79A.05.120 and 2006 c 160 s 2 are each amended to read 16 as follows:
- 17 (1) To facilitate completion of a cross-state trail under the 18 management of the parks and recreation commission, management and

p. 1 HB 1717

control of lands known as the Milwaukee Road corridor shall be transferred between state agencies as follows on the date a franchise agreement is entered into for a rail line over portions of the Milwaukee Road corridor:

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- (a) Portions owned by the state between Ellensburg and the Columbia river that are managed by the parks and recreation commission are transferred to the department of transportation;
- (b) Portions owned by the state between the west side of the Columbia river and Royal City Junction and between Warden and Lind that are managed by the department of natural resources are transferred to the department of transportation; and
- (c) Portions owned by the state between Lind and the Idaho border that are managed by the department of natural resources are transferred to the parks and recreation commission as of June 7, 2006.
- (2) The department of natural resources may, by mutual agreement with the parks and recreation commission, transfer management authority over portions of the Milwaukee Road corridor to the state parks and recreation commission, at any time prior to the department of transportation entering into a franchise agreement.
- (3) This section expires July 1, ((2009)) 2019, and no transfers shall occur if the department of transportation does not enter into a franchise agreement for a rail line over the portions of the Milwaukee Road corridor between Ellensburg and Lind by July 1, ((2009)) 2019.
- Sec. 3. RCW 79A.05.125 and 2006 c 160 s 3 are each amended to read as follows:
 - (1) The department of transportation shall negotiate a franchise with a rail carrier to establish and maintain a rail line over portions of the Milwaukee Road corridor owned by the state between Ellensburg and Lind. The department of transportation may negotiate such a franchise with any qualified rail carrier. Criteria for negotiating the franchise and establishing the right-of-way include:
- (a) Assurances that resources from the franchise will be sufficient to compensate the state for use of the property, including completion of a cross-state trail between Easton and the Idaho border;
- 35 (b) Types of payment for use of the franchise, including payment 36 for the use of federally granted trust lands in the transportation 37 corridor;

HB 1717 p. 2

(c) Standards for maintenance of the line;

- (d) Provisions ensuring that both the conventional and intermodal rail service needs of local shippers are met. Such accommodations may comprise agreements with the franchisee to offer or maintain adequate service or to provide service by other carriers at commercially reasonable rates;
- (e) Provisions requiring the franchisee, upon reasonable request of any other rail operator, to provide rail service and interchange freight over what is commonly known as the Stampede Pass rail line from Cle Elum to Auburn at commercially reasonable rates;
- (f) If any part of the franchise agreement is invalidated by actions or rulings of the federal surface transportation board or a court of competent jurisdiction, the remaining portions of the franchise agreement are not affected;
 - (g) Compliance with environmental standards; and
 - (h) Provisions for insurance and the coverage of liability.
- 17 (2) The franchise may provide for periodic review of financial arrangements under the franchise.
 - (3) The department of transportation, in consultation with the parks and recreation commission and the senate and house transportation committees, shall negotiate the terms of the franchise, and shall present the agreement to the parks and recreation commission for approval of as to terms and provisions affecting the cross-state trail or affecting the commission.
 - (4) This section expires July 1, ((2009)) 2019, if the department of transportation does not enter into a franchise agreement for a rail line over portions of the Milwaukee Road corridor between Ellensburg and Lind by July 1, ((2009)) 2019.
- **Sec. 4.** RCW 79A.05.130 and 2006 c 160 s 4 are each amended to read 30 as follows:
- 31 (1) The cross-state trail account is created in the custody of the 32 state treasurer. Eleven million five hundred thousand dollars is 33 provided to the state parks and recreation commission to acquire, 34 construct, and maintain a cross-state trail. This amount may consist 35 of: (a) Legislative appropriations intended for trail development; (b) 36 payments for the purchase of federally granted trust lands; and (c)

p. 3 HB 1717

franchise fees derived from use of the rail corridor. The legislature intends that any amounts provided from the transportation fund are to be repaid to the transportation fund from franchise fees.

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- 4 (2) The department shall deposit franchise fees from use of the rail corridor according to the following priority: 5 (a) department of transportation for actual costs incurred in administering 6 7 franchise; (b) to the department of natural resources 8 compensation for use of federally granted trust lands in the rail 9 corridor; (c) to the transportation fund to reimburse any amounts transferred or appropriated from that fund by the legislature for trail 10 11 development; (d) to the cross-state trail account, not to exceed eleven 12 million five hundred thousand dollars, provided that this amount shall 13 be reduced proportionate with any funds transferred or appropriated by the 1996 legislature or paid from franchise fees for the purchase of 14 15 federally granted trust lands or for trail development; and (e) the remainder to the essential rail assistance account, created under RCW 16 17 47.76.250. Expenditures from the cross-state trail account may be used only for the acquisition, development, operation, and maintenance of 18 19 the cross-state trail. Only the director of the state parks and recreation commission or the director's designee may authorize 20 21 expenditures from the account. The account is subject to allotment 22 procedures under chapter 43.88 RCW, but no appropriation is required 23 for expenditures.
- 24 (3) The commission may acquire land from willing sellers for the 25 cross-state trail, but not by eminent domain.
- 26 (4) The commission shall adopt rules describing the cross-state 27 trail.
- (5) This section expires July 1, ((2009)) 2019, if the department of transportation does not enter into a franchise agreement for a rail line over portions of the Milwaukee Road corridor between Ellensburg and Lind by July 1, ((2009)) 2019.
- NEW SECTION. Sec. 5. 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 July 1, 2009.

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HB 1717 p. 4