

# SENATE BILL REPORT

## SB 5138

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As of January 19, 1995

**Title:** An act relating to public-private initiatives in transportation.

**Brief Description:** Requiring voter approval of tolls in public-private transportation initiatives.

**Sponsors:** Senators Quigley, Drew, Long, McAuliffe, C. Anderson and Rasmussen.

**Brief History:**

**Committee Activity:** Transportation: 1/19/95.

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### SENATE COMMITTEE ON TRANSPORTATION

**Staff:** Vicki Fabre (786-7313)

**Background:** New Partners: Public-Private Initiatives in Transportation (Chapter 47.46 RCW) is a program created by the 1993 Legislature to test the feasibility of privately financed transportation improvements in Washington State. The law provides a wide range of opportunities for private entities to undertake all or a portion of the study, planning, design, finance, construction, operation and maintenance of transportation systems and facilities.

The State Department of Transportation (WSDOT) is authorized to solicit proposals from the private sector and to select up to six demonstration projects identified by the private sector. Projects are owned by the private sector during construction, turned over to the state, and leased back for operation for up to 50 years.

The private developer is authorized to impose tolls or user fees to recover the private sector's investments and to allow them a reasonable rate of return on investment. After maximum return on investment is reached, the state may continue to charge user fees or tolls for operation or maintenance that may be shared with affected local jurisdictions.

In May of 1994, 14 proposals from 11 private sector consortia were received by WSDOT. These were evaluated by a team of technical experts assembled by the department. At the end of the evaluation process, the secretary of the department, as required by law, recommended six projects to the Transportation Commission, which the commission adopted on August 18, 1994.

The following projects were selected: State Route 16-Tacoma Narrows; State Route 18 Corridor Improvements; State Route 520 Corridor Improvements; State Route 522 Corridor Improvements; Puget Sound Congestion Pricing; and METRO/King County and WSDOT Park and Ride Capacity Enhancements. The first four of these proposals anticipate the imposition of tolls or user fees.

The residents of communities impacted by the proposed projects have expressed concern about the imposition of tolls without prior public approval.

**Summary of Bill:** Legislative intent is expanded and expresses the need for a public vote on proposed projects that charge user fees or tolls in order to enhance public support and confidence in the Public-Private Initiatives program and to assure proper cooperation and consultation with the public.

Proposed projects that impose tolls or user fees must be approved by a majority of the votes cast by voters residing within an affected local jurisdiction, prior to the execution of agreements between the department and the private entities proposing the projects. Voter approval must occur at the next general election.

Agreements must include voter approval requirements. Agreements that are not approved by a majority of the votes cast on a proposed project are void and all parties are released from any legal or financial obligations under the agreement.

"Affected local jurisdiction" is defined to mean the combination of all legislative voting precincts that, in whole or in part, are located within seven miles of a proposed project.

The statement of the location, nature and cost of the proposed project must appear in the state voter's pamphlet for the affected area. The Secretary of the Department of Transportation is required to reimburse the Secretary of State for pamphlet publishing costs and local government for costs associated with the ballot measure.

**Appropriation:** None.

**Fiscal Note:** Requested on January 13, 1995.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.