

SENATE BILL REPORT

SB 6041

As of April 1, 1999

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

Brief Description: Restricting excessive tolls in public-private initiatives.

Sponsors: Senators Rasmussen, Roach, Gardner, Patterson, Haugen, Heavey and Johnson.

Brief History:

Committee Activity: Transportation: 4/1/99.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Ashley Probart (786-7319)

Background: The 1993 Legislature created the Public Private Initiatives Program (PPI) within the Department of Transportation. The purpose of the PPI program is to engender opportunities for private entities to undertake all or a portion of the study, design, finance, construction, operation and maintenance of transportation systems and facilities.

A public advisory vote for certain public private facilities, such as bridges and highways, is required before the Department of Transportation can enter into an agreement with a private entity. The public advisory vote is preceded by extensive analysis of the proposed project, including determining the project area, impacts of tolls or user fees to communities in the vicinity, and an analysis of the relationship of the project to the state's transportation needs and benefits.

In addition, a public-private local involvement committee is established that serves in an advisory capacity prior to the advisory vote.

After a public advisory vote on a project, the Department of Transportation may enter into an agreement with the private entity. The agreement is structured to provide the private entity with a reasonable rate of return through user fees or tolls. State oversight of the agreement includes project audits and limiting the user fee or toll rate to not exceed the capital outlay of the project. Capital outlay of the project can include the costs incurred to study, plan, design, finance, acquire, build, install, operate, enforce, and maintain the facility.

Summary of Bill: State oversight of user fees or tolls is changed. Private entities that request increases in toll rates or user fees after an advisory vote has occurred are subject to regulation by the Utilities and Transportation Commission.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.