

SENATE BILL REPORT

SB 6043

As of December 1, 1999

Title: An act relating to establishing a toll rate before an advisory vote on public-private transportation initiatives.

Brief Description: Establishing tolls before the vote on a public-private initiative.

Sponsors: Senators Roach, Patterson, Rasmussen and Johnson.

Brief History:

Committee Activity: Transportation

SENATE COMMITTEE ON TRANSPORTATION

Staff: Lynn Hale (786-7436)

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: The Department of Transportation (DOT) must prepare a detailed cost analysis of the proposed public-private initiative project in defining the economic impact of the proposed project. Based on the detailed cost analysis, DOT must prepare a projected toll or user fee rate analysis that provides for payback of all costs, including financing costs of the project. The rate or user fee must be included within the project description that appears on the advisory vote ballot.

If revenue or funds other than tolls are identified in the cost analysis, the source of the funds together with nonrevocable authorization of those funds must be identified.

Appropriation: None.

Fiscal Note: Not requested.

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