Transportation Committee

HB 1512

Brief Description: Authorizing the funding of rail freight service through grants.

Sponsors: Representatives Haler, Roach and Klippert.

Brief Summary of Bill

• Allows the Department of Transportation to provide Emergent Freight Rail Assistance grants to privately-owned railroads or for improvements on privatelyowned railroads.

Hearing Date: 2/4/09

Staff: Teresa Berntsen (786-7301)

Background:

The Department of Transportation (DOT) administers a rail grant program referred to as the Emergent Freight Rail Assistance program. The DOT periodically issues a call for projects and analyzes grant applications. The 2008 state Transportation Budget requires the DOT to use a cost benefit analysis as a method for evaluating project applications in order to assess public benefit.

The DOT's Emergent Freight Rail Assistance program is funded through the Essential Rail Assistance Account. State law stipulates that grants from the Essential Rail Assistance Account provided to privately-owned railroads or for improvements on privately-owned railroads must be given in the form of loans. The Washington Constitution, Article 8, Section 5 prohibits the lending of state credit.

Summary of Bill:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The DOT is is allowed to provide grants from the Essential Rail Assistance Account to privatelyowned railroads or for improvements on privately-owned railroads, so long as the grants include contractual consideration.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.