S-4753.1

SUBSTITUTE SENATE BILL 6527

State of Washington 59th Legislature 2006 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Jacobsen, Mulliken, Haugen and Sheldon; by request of Department of Transportation)

READ FIRST TIME 01/30/06.

AN ACT Relating to the Milwaukee Road cross-state trail; amending RCW 79A.05.115, 79A.05.120, 79A.05.125, and 79A.05.130; and providing contingent expiration dates.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 Sec. 1. RCW 79A.05.115 and 1999 c 301 s 1 are each amended to read 6 as follows:

7 (1) The commission shall develop and maintain a cross-state trail
8 facility with appropriate appurtenances.

9 (2) This section expires July 1, ((2006)) 2009, if the department 10 of transportation does not enter into a franchise agreement for a rail 11 line over portions of the Milwaukee Road corridor by July 1, ((2006)) 12 2009.

13 Sec. 2. RCW 79A.05.120 and 1999 c 301 s 2 are each amended to read 14 as follows:

(1) To facilitate completion of a cross-state trail under the management of the parks and recreation commission, management and control of lands known as the Milwaukee Road corridor shall be 1 transferred between state agencies as follows on the date a franchise 2 agreement is entered into for a rail line over portions of the 3 Milwaukee Road corridor:

4 (a) Portions owned by the state between Ellensburg and the Columbia
5 river that are managed by the parks and recreation commission are
6 transferred to the department of transportation;

7 (b) Portions owned by the state between the west side of the 8 Columbia river and Royal City Junction and between Warden and Lind that 9 are managed by the department of natural resources are transferred to 10 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.

14 (2) The department of natural resources ((and the parks and recreation commission)) may, by mutual agreement with the parks and 15 <u>recreation commission</u>, transfer ((the)) management authority over 16 17 portions of the Milwaukee Road corridor ((between their two respective agencies without legislative approval if the portion transferred does 18 not exceed ten miles in length)) to the state parks and recreation 19 commission, at any time prior to the department of transportation 20 21 entering into a franchise agreement.

(3) This section expires July 1, ((2006)) 2009, and no transfers shall occur if the department of transportation does not enter into a franchise agreement for a rail line over portions of the Milwaukee Road corridor by July 1, ((2006)) 2009.

26 **Sec. 3.** RCW 79A.05.125 and 2005 c 319 s 134 are each amended to 27 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;

p. 2

(b) Types of payment for use of the franchise, including payment
 for the use of federally granted trust lands in the transportation
 corridor;

4

(c) Standards for maintenance of the line;

5 (d) Provisions ensuring that both the conventional and intermodal 6 rail service needs of local shippers are met. Such accommodations may 7 comprise agreements with the franchisee to offer or maintain adequate 8 service or to provide service by other carriers at commercially 9 reasonable rates;

10 (e) Provisions requiring the franchisee, upon reasonable request of 11 any other rail operator, to provide rail service and interchange 12 freight over what is commonly known as the Stampede Pass rail line from 13 Cle Elum to Auburn at commercially reasonable rates;

14 (f) If any part of the franchise agreement is invalidated by 15 actions or rulings of the federal surface transportation board or a 16 court of competent jurisdiction, the remaining portions of the 17 franchise agreement are not affected;

18

(g) Compliance with environmental standards; and

19 (h) Provisions for insurance and the coverage of liability.

(2) The franchise may provide for periodic review of financialarrangements 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, ((2006)) 2009, if the department
of transportation does not enter into a franchise agreement for a rail
line over portions of the Milwaukee Road corridor by July 1, ((2006))
2009.

32 **Sec. 4.** RCW 79A.05.130 and 1999 c 301 s 4 are each amended to read 33 as follows:

(1) The cross-state trail account is created in the custody of the
state treasurer. Eleven million five hundred thousand dollars is
provided to the state parks and recreation commission to acquire,
construct, and maintain a cross-state trail. This amount may consist

of: (a) Legislative appropriations intended for trail development; (b) payments for the purchase of federally granted trust lands; and (c) 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.

(2) The department shall deposit franchise fees from use of the б 7 rail corridor according to the following priority: (a) To the department of transportation for actual costs incurred in administering 8 franchise; (b) to the department of natural resources 9 the as 10 compensation for use of federally granted trust lands in the rail corridor; (c) to the transportation fund to reimburse any amounts 11 12 transferred or appropriated from that fund by the legislature for trail 13 development; (d) to the cross-state trail account, not to exceed eleven 14 million five hundred thousand dollars, provided that this amount shall be reduced proportionate with any funds transferred or appropriated by 15 the 1996 legislature or paid from franchise fees for the purchase of 16 17 federally granted trust lands or for trail development; and (e) the remainder to the essential rail assistance account, created under RCW 18 47.76.250. Expenditures from the cross-state trail account may be used 19 only for the acquisition, development, operation, and maintenance of 20 21 the cross-state trail. Only the director of the state parks and 22 recreation commission or the director's designee may authorize expenditures from the account. The account is subject to allotment 23 24 procedures under chapter 43.88 RCW, but no appropriation is required 25 for expenditures.

(3) The commission may acquire land from willing sellers for thecross-state trail, but not by eminent domain.

(4) The commission shall adopt rules describing the cross-statetrail.

30 (5) This section expires July 1, ((2006)) 2009, if the department 31 of transportation does not enter into a franchise agreement for a rail 32 line over portions of the Milwaukee Road corridor by July 1, ((2006)) 33 2009.

--- END ---

p. 4