

HOUSE BILL REPORT

HB 2599

As Passed House:
February 17, 2016

Title: An act relating to the freight mobility strategic investment board's authority to remove funding allocation for projects after a certain number of years without construction occurring.

Brief Description: Authorizing the freight mobility strategic investment board to remove funding allocation for projects after a certain number of years without construction occurring.

Sponsors: Representatives Orcutt, Clibborn, Moscoso, Harmsworth, Tarleton, Zeiger, Hayes, Hargrove, Rossetti, McBride and Wilson.

Brief History:

Committee Activity:

Transportation: 1/25/16, 1/27/16 [DP].

Floor Activity:

Passed House: 2/17/16, 98-0.

Brief Summary of Bill

- Sets a time limit of six years that projects determined to be not ready to proceed by the Freight Mobility Strategic Investment Board (FMSIB) may retain their position on the FMSIB priority project list.
- Allows the FMSIB to remove a project from the FMSIB priority project list after six years for a variety of reasons.
- Requires the sponsoring public entities seeking restoration of funding to submit a new application to the FMSIB.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass. Signed by 23 members: Representatives Clibborn, Chair; Farrell, Vice Chair; Fey, Vice Chair; Moscoso, Vice Chair; Orcutt, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Harmsworth, Assistant Ranking Minority Member; Bergquist, Gregerson, Hayes, Hickel, Kochmar, Morris, Ortiz-Self, Pike, Riccelli, Rodne, Rossetti, Sells, Shea, Stambaugh, Tarleton and Young.

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.

Staff: Paul Ingiosi (786-7114).

Background:

The Freight Mobility Strategic Investment Board (FMSIB) was created by the Legislature in 1998 to implement the state's freight mobility strategic investment program. The FMSIB was directed to solicit, review, evaluate, and prioritize freight projects from public entities. The FMSIB is comprised of 12 members representing various aspects of the state and transportation system including cities, counties, ports, railroads, trucking, shipping, the general public, the Office of Financial Management, and the Washington State Department of Transportation. The FMSIB is the administering agency for two freight mobility accounts in the State Treasury: the Freight Mobility Investment Account and the Freight Mobility Multimodal Account. Both accounts receive a statutory transfer of \$6 million each biennium. The FMSIB is scheduled to receive an additional \$123 million through 2031 from the Connecting Washington transportation revenue package passed in 2015.

The FMSIB currently maintains an active project list of 20 projects worth \$378.4 million with the FMSIB contribution at \$70.9 million. The FMSIB also has a deferred project list of 18 projects, some of which date back to the inception of the FMSIB in 1998.

Under current law, if the FMSIB determines a project is not ready to proceed, the FMSIB may only remove that project from funding consideration while the project retains its funding position on the FMSIB priority project list. To return to the active project list, project sponsors are permitted to petition for reconsideration and do not need to submit a new application.

Summary of Bill:

The bill sets a time limit of six years that projects determined to be not ready to proceed by the FMSIB may retain their position on the FMSIB priority project list.

After six years, the FMSIB may remove a project from consideration for any of the following reasons: the project has been unable to obtain the necessary funding or financing to proceed; the project becomes a lower local priority and is unlikely to be constructed within two years; or quantifiable issues that make it highly unlikely the project could obtain necessary permits or could be constructed as originally proposed.

The bill also requires the sponsoring public entities of the projects removed to submit a new application to the FMSIB if they wish to restore any project for funding consideration. The new applications must be evaluated by the FMSIB in the same manner as new applicants.

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.

Staff Summary of Public Testimony:

(In support) The FMSIB has two basic missions: to enhance freight movement, and to mitigate against the impacts of freight. When the FMSIB was created over 15 years ago, they were not granted permission to remove projects from their project list. Sixteen of 18 deferred projects are from on or before 2004. House Bill 2599 will give the FMSIB flexibility in managing its capital budget.

(Opposed) None.

Persons Testifying: Representative Orcutt, prime sponsor; and Ashley Probart, Freight Mobility Strategic Investment Board.

Persons Signed In To Testify But Not Testifying: None.