

CERTIFICATION OF ENROLLMENT

ENGROSSED SENATE BILL 6776

Chapter 73, Laws of 1996

54th Legislature
1996 Regular Session

FLOOD-DAMAGED SHORT-LINE OR LIGHT-DENSITY
RAILROADS--EMERGENCY GRANTS

EFFECTIVE DATE: 3/13/96

Passed by the Senate February 29, 1996
YEAS 45 NAYS 0

JOEL PRITCHARD

President of the Senate

Passed by the House March 7, 1996
YEAS 98 NAYS 0

CLYDE BALLARD

**Speaker of the
House of Representatives**

Approved March 13, 1996

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SENATE BILL 6776** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

March 13, 1996 - 1:42 p.m.

MIKE LOWRY

Governor of the State of Washington

**Secretary of State
State of Washington**

ENGROSSED SENATE BILL 6776

Passed Legislature - 1996 Regular Session

State of Washington 54th Legislature 1996 Regular Session

By Senators Owen and Prince

Read first time 02/20/96. Referred to Committee on Transportation.

1 AN ACT Relating to emergency grants to flood-damaged short-line or
2 light-density railroads; amending RCW 47.76.250; creating new sections;
3 and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that damage to light-
6 density rail lines caused by recent flooding threatens public safety
7 and the economic survival of several rail lines in the state.
8 Therefore, the legislature intends to make an emergency exception to
9 its policy of providing only loans to privately held rail lines. It is
10 the further intent of the legislature that once the damages caused by
11 the recent flooding have been sufficiently mitigated to restore these
12 rail lines to safe operation, this emergency exception expires.

13 **Sec. 2.** RCW 47.76.250 and 1995 c 380 s 6 are each amended to read
14 as follows:

15 (1) The essential rail assistance account is created in the state
16 treasury. Moneys in the account may be appropriated only for the
17 purposes specified in this section.

1 (2) Moneys appropriated from the account to the department of
2 transportation may be used by the department or distributed by the
3 department to cities, county rail districts, counties, economic
4 development councils, and port districts for the purpose of:

5 (a) Acquiring, rebuilding, rehabilitating, or improving rail lines;

6 (b) Purchasing or rehabilitating railroad equipment necessary to
7 maintain essential rail service;

8 (c) Constructing railroad improvements to mitigate port access or
9 mainline congestion;

10 (d) Construction of loading facilities to increase business on
11 light density lines or to mitigate the impacts of abandonment;

12 (e) Preservation, including operation, of light density lines, as
13 identified by the Washington state department of transportation, in
14 compliance with this chapter; or

15 (f) Preserving rail corridors for future rail purposes by purchase
16 of rights of way. The department shall first pursue transportation
17 enhancement program funds, available under the federal surface
18 transportation program, to the greatest extent practicable to preserve
19 rail corridors. Purchase of rights of way may include track, bridges,
20 and associated elements, and must meet the following criteria:

21 (i) The right of way has been identified and evaluated in the state
22 rail plan prepared under this chapter;

23 (ii) The right of way may be or has been abandoned; and

24 (iii) The right of way has potential for future rail service.

25 (3) The department or the participating local jurisdiction is
26 responsible for maintaining any right of way acquired under this
27 chapter, including provisions for drainage management, fire and weed
28 control, and liability associated with ownership.

29 (4) Nothing in this section impairs the reversionary rights of
30 abutting landowners, if any, without just compensation.

31 (5) The department, cities, county rail districts, counties, and
32 port districts may grant franchises to private railroads for the right
33 to operate on lines acquired under this chapter.

34 (6) The department, cities, county rail districts, counties, and
35 port districts may grant trackage rights over rail lines acquired under
36 this chapter.

37 (7) If rail lines or rail rights of way are used by county rail
38 districts, port districts, state agencies, or other public agencies for
39 the purposes of rail operations and are later abandoned, the rail lines

1 or rail rights of way cannot be used for any other purposes without the
2 consent of the underlying fee title holder or reversionary rights
3 holder, or until compensation has been made to the underlying fee title
4 holder or reversionary rights holder.

5 (8) The department of transportation shall develop criteria for
6 prioritizing freight rail projects that meet the minimum eligibility
7 requirements for state assistance under RCW 47.76.240. The department
8 shall develop criteria in consultation with the Washington state
9 freight rail policy advisory committee. Project criteria should
10 consider the level of local financial commitment to the project as well
11 as cost/benefit ratio. Counties, local communities, railroads,
12 shippers, and others who benefit from the project should participate
13 financially to the greatest ((~~extend~~{~~extent~~}) extent practicable.

14 (9) Moneys received by the department from franchise fees, trackage
15 rights fees, and loan payments shall be redeposited in the essential
16 rail assistance account. Repayment of loans made under this section
17 shall occur within a period not longer than fifteen years, as set by
18 the department. The repayment schedule and rate of interest, if any,
19 shall be determined before the distribution of the moneys.

20 (10) The state shall maintain a contingent interest in any
21 equipment, property, rail line, or facility that has outstanding grants
22 or loans. The owner may not use the line as collateral, remove track,
23 bridges, or associated elements for salvage, or use it in any other
24 manner subordinating the state's interest without permission from the
25 department.

26 (11) Moneys distributed under this chapter should be provided as
27 loans wherever practicable. Except as provided by section 3 of this
28 act, for improvements on or to privately owned railroads, railroad
29 property, or other private property, moneys distributed shall be
30 provided solely as loans.

31 NEW SECTION. Sec. 3. The department of transportation may, for
32 the period ending December 31, 1996, provide financial grants to short-
33 line or light-density railroads to repair damages and to restore lines
34 disrupted by storms and subsequent floods that occurred in February
35 1996.

36 NEW SECTION. Sec. 4. This act is necessary for the immediate
37 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and takes effect
2 immediately.

Passed the Senate February 29, 1996.

Passed the House March 7, 1996.

Approved by the Governor March 13, 1996.

Filed in Office of Secretary of State March 13, 1996.