CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1256

Chapter 104, Laws of 2013

63rd Legislature 2013 Regular Session

FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD--PROJECT SELECTION

EFFECTIVE DATE: 07/28/13

Passed by the House February 27, 2013 Yeas 88 Nays 9

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 16, 2013 Yeas 46 Nays 1

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1256** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

BRAD OWEN Chief Clerk

President of the Senate

Approved May 1, 2013, 2:00 p.m.

FILED

May 1, 2013

JAY INSLEE

Governor of the State of Washington

Secretary of State State of Washington

SUBSTITUTE HOUSE BILL 1256

Passed Legislature - 2013 Regular Session

State of Washington

63rd Legislature

2013 Regular Session

By House Transportation (originally sponsored by Representatives Fey, Orcutt, Tarleton, Jinkins, and Morrell; by request of Freight Mobility Strategic Investment Board)

READ FIRST TIME 02/01/13.

- 1 AN ACT Relating to project selection by the freight mobility
- 2 strategic investment board; and amending RCW 47.06A.020, 47.06A.050,
- 3 46.68.300, and 46.68.310.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 47.06A.020 and 2005 c 319 s 125 are each amended to 6 read as follows:
 - (1) The board shall:

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- 8 (a) Adopt rules and procedures necessary to implement the freight 9 mobility strategic investment program;
- 10 (b) Solicit from public entities proposed projects that meet 11 eligibility criteria established in accordance with subsection (4) of 12 this section; and
 - (c) Review and evaluate project applications based on criteria established under this section, and prioritize and select projects comprising a portfolio to be funded in part with grants from state funds appropriated for the freight mobility strategic investment program. In determining the appropriate level of state funding for a project, the board shall ensure that state funds are allocated to leverage the greatest amount of partnership funding possible. ((After

- selecting projects comprising the portfolio, the board shall submit 1
- 2 them-as-part-of-its-budget-request-to-the-office-of-financial
- management and the legislature.)) The board shall ensure that projects 3
- ((submitted-as-part-of)) included in the portfolio are not more 4
- appropriately funded with other federal, state, or local government 5
- funding mechanisms or programs. The board shall reject those projects 6
- 7 appear to improve overall general mobility with
- 8 enhancement for freight mobility.
- The board shall provide periodic progress reports on its activities 9 to the office of financial management and the senate and house 10 transportation committees. 11
- 12 (2) The board may:

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- 13 (a) Accept from any state or federal agency, loans or grants for the financing of any transportation project and enter into agreements 14 with any such agency concerning the loans or grants; 15
 - (b) Provide technical assistance to project applicants;
 - (c) Accept any gifts, grants, or loans of funds, property, or financial, or other aid in any form from any other source on any terms and conditions which are not in conflict with this chapter;
- (d) Adopt rules under chapter 34.05 RCW as necessary to carry out 21 the purposes of this chapter; and
 - (e) Do all things necessary or convenient to carry out the powers expressly granted or implied under this chapter.
 - (3) The board shall designate strategic freight corridors within the state. The board shall update the list of designated strategic corridors not less than every two years, and shall establish a method of collecting and verifying data, including information on city and county-owned roadways.
- (4) The board shall utilize threshold project eligibility criteria 29 that, at a minimum, includes the following: 30
 - (a) The project must be on a strategic freight corridor;
 - (b) The project must meet one of the following conditions:
- (i) It is primarily aimed at reducing identified barriers to 33 freight movement with only incidental benefits to general or personal 34 mobility; or 35
- (ii) It is primarily aimed at increasing capacity for the movement 36 37 of freight with only incidental benefits to general or personal 38 mobility; or

1 (iii) It is primarily aimed at mitigating the impact on communities 2 of increasing freight movement, including roadway/railway conflicts; 3 and

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- (c) The project must have a total public benefit/total public cost ratio of equal to or greater than one.
- (5) From June 11, 1998, through the biennium ending June 30, 2001, the board shall use the multicriteria analysis and scoring framework for evaluating and ranking eligible freight mobility and freight mitigation projects developed by the freight mobility project prioritization committee and contained in the January 16, 1998, report entitled "Project Eligibility, Priority and Selection Process for a Strategic Freight Investment Program." The prioritization process shall measure the degree to which projects address important program objectives and shall generate a project score that reflects a project's priority compared to other projects. The board shall assign scoring points to each criterion that indicate the relative importance of the criterion in the overall determination of project priority. After June 30, 2001, the board may supplement and refine the initial project priority criteria and scoring framework developed by the freight mobility project prioritization committee as expertise and experience is gained in administering the freight mobility program.
- (6) It is the intent of the legislature that each freight mobility project contained in the project portfolio ((submitted)) approved by the board utilize the greatest amount of nonstate funding possible. The board shall adopt rules that give preference to projects that contain the greatest levels of financial participation from nonprogram fund sources. The board shall consider twenty percent as the minimum partnership contribution, but shall also ensure that there are provisions allowing exceptions for projects that are located in areas where minimal local funding capacity exists or where the magnitude of the project makes the adopted partnership contribution financially unfeasible.
- (7) The board shall develop and recommend policies that address operational improvements that primarily benefit and enhance freight movement, including, but not limited to, policies that reduce congestion in truck lanes at border crossings and weigh stations and provide for access to ports during nonpeak hours.

- 1 **Sec. 2.** RCW 47.06A.050 and 1998 c 175 s 6 are each amended to read 2 as follows:
- 3 (1) For the purpose of allocating funds for the freight mobility 4 strategic investment program, the board shall allocate the first fifty-5 five percent of funds to the highest priority projects, without regard 6 to location.
- 7 (2) The remaining funds shall be allocated equally among three 8 regions of the state, defined as follows:
- 9 (a) The Puget Sound region includes King, Pierce, and Snohomish counties;
- 11 (b) The western Washington region includes Clallam, Jefferson, 12 Island, Kitsap, San Juan, Skagit, Whatcom, Clark, Cowlitz, Grays 13 Harbor, Lewis, Mason, Pacific, Skamania, Thurston, and Wahkiakum 14 counties; and
- 15 (c) The eastern Washington region includes Adams, Chelan, Douglas, 16 Ferry, Grant, Lincoln, Okanogan, Pend Oreille, Spokane, Stevens, 17 Whitman, Asotin, Benton, Columbia, Franklin, Garfield, Kittitas, 18 Klickitat, Walla Walla, and Yakima counties.
 - (3) If a region does not have enough qualifying projects to utilize its allocation of funds, the funds will be made available to the next highest priority project, without regard to location.
 - (4) In the event that a proposal contains projects in more than one region, for purposes of assuring that equitable geographic distributions are made under subsection (2) of this section, the board shall evaluate the proposal and proportionally assign the benefits that are attributable to each region.
 - (5) If the board identifies a project for funding, but later determines that the project is not ready to proceed ((at the time the legislature's funding decision is pending)), the board shall recommend removing the project from consideration and the next highest priority project shall be substituted in the project portfolio. Any project removed from funding consideration because it is not ready to proceed shall retain its position on the priority project list ((and—is eligible to be recommended for funding—in the next project portfolio submitted by the board)).
- 36 **Sec. 3.** RCW 46.68.300 and 2005 c 314 s 105 are each amended to read as follows:

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The freight mobility investment account is hereby created in the 1 2 state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for 3 freight mobility projects ((identified in the omnibus transportation 4 appropriations act, including)) that have been approved by the freight 5 mobility strategic investment board in RCW 47.06A.020 and may include 6 7 any principal and interest on bonds authorized for the projects or 8 improvements.

9 **Sec. 4.** RCW 46.68.310 and 2006 c 337 s 7 are each amended to read 10 as follows:

The freight mobility multimodal account is created in the state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for freight mobility projects ((identified in the omnibus transportation appropriations act, including)) that have been approved by the freight mobility strategic investment board in RCW 47.06A.020 and may include any principal and interest on bonds authorized for the projects or improvements.

Passed by the House February 27, 2013. Passed by the Senate April 16, 2013. Approved by the Governor May 1, 2013. Filed in Office of Secretary of State May 1, 2013.

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