SENATE BILL REPORT SB 5529

As Reported by Senate Committee On: Transportation, February 10, 2015

Title: An act relating to the Royal Slope railroad.

Brief Description: Transferring a railroad right-of-way to the Port of Royal Slope.

Sponsors: Senators Warnick, Rivers, Schoesler, Honeyford, Parlette, Becker and King.

Brief History:

Committee Activity: Transportation: 2/02/15, 2/10/15 [DPS].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5529 be substituted therefor, and the substitute bill do pass.

Signed by Senators King, Chair; Fain, Vice Chair; Hobbs, Ranking Minority Member; Liias, Assistant Ranking Minority Member; Cleveland, Habib, Miloscia, Pedersen and Rivers.

Staff: Hayley Gamble (786-7452)

Background: The Port of Royal Slope (Port) was established in 1958, is governed by three elected commissioners, and includes a 280-acre industrial park. The Port district is approximately 400 square miles and includes the town of Royal City. In 2013 the Port passed a resolution requesting the Legislature transfer the title of the Royal Slope Railroad back to the Port.

Washington State Department of Transportation (WSDOT) currently owns the Royal Slope railroad. In 1983 after the Chicago, Milwaukee & St Paul Railroad ceased operating their rail system due to financial difficulties, the Port bought 26 miles of their rail line, which is now known as the Royal Slope railroad. In 1993 WSDOT purchased the Royal Slope Railroad from the Port, due to financial difficulties at the Port. The Royal Slope Railroad has not been operated since 1998. Recent upgrades on the line would now allow it to be used at slow speeds. A request for an operator for the Royal Slope Railroad was published by WSDOT in 2014 but was unsuccessful.

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.

Summary of Bill (Recommended Substitute): WSDOT must transfer the Royal Slope railroad right-of-way, and any supplies purchased as part of a recent rehabilitation project, to the Port of Royal Slope. The Port must maintain the right-of-way, and contract with an operator.

If there is not an operator on the line for any continuous five-year period, then the right-ofway must revert to WSDOT.

EFFECT OF CHANGES MADE BY TRANSPORTATION COMMITTEE (**Recommended Substitute**): The transfer of the Royal Slope railroad right of way is at no cost to the Port of Royal Slope. If ownership reverts to WSDOT the rail line must be in substantially the same condition as when it was transferred.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony on Original Bill: PRO: All Aboard Washington supports the preservation of rail infrastructure. Indirectly this will help our whole state. Port of Royal Slope has been working on this for several years. The operators of the Palouse River & Coulee City Railroad have shown an interest in operating this line. We had expected more of a partnership with WSDOT. This legislation would give the Port control of the line, which the Port wants. This will help save businesses at the Port.

OTHER: WSDOT would like some clarity around certain elements of the bill.

Persons Testifying: PRO: Lloyd Flem, Executive Director, All Aboard WA; Herb Krohn, SMART Transportation Division, United Transportation Union, WA State Legislative Director; Jim Potts, Port of Royal Slope; Alan Schrom, Port of Royal Slope, Commissioner; Cathy Potter, Port of Royal Slope, Executive Director.

OTHER: Barbara Ivanov, WSDOT.