

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1084

68th Legislature
2023 Regular Session

Passed by the House March 7, 2023
Yeas 95 Nays 0

**Speaker of the House of
Representatives**

Passed by the Senate April 12, 2023
Yeas 48 Nays 0

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1084** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1084

Passed Legislature - 2023 Regular Session

State of Washington

68th Legislature

2023 Regular Session

By House Transportation (originally sponsored by Representatives Fey, Ramos, Ryu, Ramel, Leavitt, Timmons, and Wylie)

READ FIRST TIME 02/14/23.

1 AN ACT Relating to freight mobility prioritization; amending RCW
2 47.06A.010, 47.06A.001, 47.06A.020, 47.06A.030, 47.06.045, 47.06.070,
3 46.68.300, 46.68.310, and 47.06A.080; adding a new section to chapter
4 53.20 RCW; adding a new section to chapter 47.04 RCW; creating a new
5 section; recodifying RCW 47.06A.080 and 47.06A.090; and repealing RCW
6 47.06A.045, 47.06A.050, and 47.06A.060.

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

8 **Sec. 1.** RCW 47.06A.010 and 1998 c 175 s 2 are each amended to
9 read as follows:

10 Unless the context clearly requires otherwise, the definitions in
11 this section apply throughout this chapter.

12 (1) "Board" means the freight mobility strategic investment board
13 created in RCW 47.06A.030.

14 (2) "Department" means the department of transportation.

15 (3) "Freight mobility" means the safe, reliable, and efficient
16 movement of goods within and through the state to ensure the state's
17 economic vitality.

18 (4) "Indian tribe" has the same meaning as provided in RCW
19 43.376.010.

20 (5) "Local governments" means cities, towns, counties, special
21 purpose districts, port districts, and any other municipal

1 corporations or quasi-municipal corporations in the state excluding
2 school districts.

3 ~~((5))~~ (6) "Overburdened community" has the same meaning as
4 provided in RCW 70A.02.010.

5 (7) "Public entity" means a state agency, city, town, county,
6 port district, or municipal or regional planning organization.

7 ~~((6))~~ (8) "Strategic freight corridor" means a transportation
8 corridor of great economic importance within an integrated freight
9 system that:

10 (a) Serves international and domestic interstate and intrastate
11 trade;

12 (b) Enhances the state's competitive position through regional
13 and global gateways;

14 (c) Carries freight tonnages of at least:

15 (i) Four million gross tons annually on state highways, city
16 streets, and county roads;

17 (ii) Five million gross tons annually on railroads; or

18 (iii) Two and one-half million net tons on waterways; and

19 (d) Has been designated a strategic corridor by the board under
20 RCW 47.06A.020~~((3))~~ (4). However, new alignments to, realignments
21 of, and new links to strategic corridors that enhance freight
22 movement may qualify, even though no tonnage data exists for
23 facilities to be built in the future.

24 **Sec. 2.** RCW 47.06A.001 and 1998 c 175 s 1 are each amended to
25 read as follows:

26 The legislature finds that:

27 (1) Washington state is uniquely positioned as a gateway to the
28 global economy. As the most trade-dependent state in the nation, per
29 capita, Washington's economy is highly dependent on an efficient
30 multimodal transportation network in order to remain competitive.

31 (2) The vitality of the state's economy is placed at risk by
32 growing traffic congestion that impedes the safe and efficient
33 movement of goods. The absence of a comprehensive and coordinated
34 state policy that facilitates freight movements to local, national,
35 and international markets limits trade opportunities.

36 (3) Freight corridors that serve international and domestic
37 interstate and intrastate trade, and those freight corridors that
38 enhance the state's competitive position through regional and global
39 gateways are strategically important. In many instances, movement of

1 freight on these corridors is diminished by: Barriers that block or
2 delay access to intermodal facilities where freight is transferred
3 from one mode of transport to another; conflicts between rail and
4 road traffic; constraints on rail capacity; highway capacity
5 constraints, congestion, and condition; waterway system depths that
6 affect capacity; and institutional, regulatory, and operational
7 barriers.

8 ~~(4) ((Rapidly escalating population growth is placing an added~~
9 ~~burden on streets, roads, and highways that serve as freight~~
10 ~~corridors. Community benefits from economic activity associated with~~
11 ~~freight movement often conflict with community concerns over safety,~~
12 ~~mobility, [and] environmental quality. Efforts to))~~ The negative
13 impacts of freight transportation do not fall equally on all
14 residents of Washington, and historically the negative impacts have
15 been concentrated or felt most acutely within overburdened
16 communities. Overburdened communities and vulnerable populations tend
17 to be disproportionately located next to industrial areas and freight
18 facilities such as ports, rail yards, highways, and truck stops. As
19 such, the incidence of many health conditions, traffic accidents
20 involving nondrivers, and highways dividing communities are among the
21 highest in these communities. Freight mobility improvement efforts
22 must prevent or minimize community impacts in areas of high freight
23 movements ((that)) and must encourage the active participation of
24 communities in the early stages of proposed public and private
25 infrastructure investments ((will facilitate needed freight mobility
26 improvements)).

27 (5) Greenhouse gas emissions from freight transportation
28 contribute to global climate change. In keeping with RCW 70A.45.020,
29 freight mobility efforts must facilitate a transition to zero-
30 emissions technology and proposed public and private infrastructure
31 investments must align with this transition. Projects that invest in
32 zero-emissions vehicle refueling and transportation patterns and
33 zero-emissions freight movement corridors should be included within
34 the investment program.

35 (6) Ownership of the freight mobility network is fragmented and
36 spread across various public jurisdictions, private companies, and
37 state and national borders. Transportation projects have grown in
38 complexity and size, requiring more resources and longer
39 implementation time frames. Currently, there is no comprehensive and
40 integrated framework for planning the freight mobility needs of

1 public and private stakeholders in the freight transportation system.
2 A coordinated planning process should identify new infrastructure
3 investments that are integrated by public and private planning bodies
4 into a multimodal and multijurisdictional network in all areas of the
5 state, urban and rural, east and west. The state should integrate
6 freight mobility goals with state policy on related issues such as
7 economic development, growth management, and environmental
8 management.

9 ~~((6))~~ (7) State investment in projects that enhance or mitigate
10 freight movements, should pay special attention to solutions that
11 utilize a corridor solution to address freight mobility issues with
12 important transportation and economic impacts beyond any local area.
13 The corridor approach builds partnerships and fosters coordinated
14 planning among jurisdictions and the public and private sectors.

15 ~~((7))~~ (8) It is the policy of the state of Washington that
16 limited public transportation funding and competition between freight
17 and general mobility improvements for the same fund sources require
18 strategic, prioritized freight investments that reduce barriers to
19 freight movement, maximize cost-effectiveness, yield a return on the
20 state's investment, require complementary investments by public and
21 private interests, and solve regional freight mobility problems.
22 State financial assistance for freight mobility projects must
23 leverage other funds from all potential partners and sources,
24 including federal, county, city, port district, and private capital.

25 **Sec. 3.** RCW 47.06A.020 and 2013 c 104 s 1 are each amended to
26 read as follows:

27 (1) The purpose of the board is to:

28 (a) Provide strategic guidance to the governor and the
29 legislature regarding the highest priority freight mobility needs in
30 the state;

31 (b) Identify and recommend a program of high-priority strategic
32 freight mobility investments;

33 (c) Encourage policies that support a competitive, resilient,
34 sustainable, and equitable freight system; and

35 (d) Serve as a forum for discussion of state transportation
36 decisions affecting freight mobility.

37 (2) The board shall:

38 (a) Adopt rules and procedures necessary to implement the freight
39 mobility strategic investment program;

1 ~~(b) ((Solicit from public entities proposed projects that meet~~
2 ~~eligibility criteria established in accordance with subsection (4) of~~
3 ~~this section; and~~

4 ~~(c) Review and evaluate project applications based on criteria~~
5 ~~established under this section, and prioritize and select projects~~
6 ~~comprising a portfolio to be funded in part with grants from state~~
7 ~~funds appropriated for the freight mobility strategic investment~~
8 ~~program. In determining the appropriate level of state funding for a~~
9 ~~project, the board shall ensure that state funds are allocated to~~
10 ~~leverage the greatest amount of partnership funding possible. The~~
11 ~~board shall ensure that projects included in the portfolio are not~~
12 ~~more appropriately funded with other federal, state, or local~~
13 ~~government funding mechanisms or programs. The board shall reject~~
14 ~~those projects that appear to improve overall general mobility with~~
15 ~~limited enhancement for freight mobility.~~

16 ~~The board shall provide periodic progress reports on its~~
17 ~~activities to the office of financial management and the senate and~~
18 ~~house transportation committees.~~

19 ~~(2)) After seeking input from local governments, transportation~~
20 ~~planning organizations, other public entities, and Indian tribes~~
21 ~~recommend a six-year investment program of the highest priority~~
22 ~~freight mobility projects for the state across freight modes,~~
23 ~~jurisdictions, and the regions of the state;~~

24 ~~(c) Ensure that the program provides statewide inclusion and~~
25 ~~maximum federal funding options, projects recommended as a part of~~
26 ~~the six-year investment program that intend to leverage federal funds~~
27 ~~must be developed consistent with planning requirements for inclusion~~
28 ~~in the federally recognized state freight plan;~~

29 ~~(d) Monitor the implementation of projects included in the six-~~
30 ~~year investment program on an ongoing basis;~~

31 ~~(e) Identify critical emerging freight mobility issues not yet~~
32 ~~addressed by investments considered for inclusion in the six-year~~
33 ~~investment program of the highest priority freight mobility~~
34 ~~investments required in (a) of this subsection; and~~

35 ~~(f) Submit an initial full report meeting the requirements of~~
36 ~~this subsection to the governor and the transportation committees of~~
37 ~~the legislature by December 1, 2024. Updated reports may be submitted~~
38 ~~annually to the transportation committees of the legislature and~~
39 ~~governor by December 1st of each year; however, a full update must be~~
40 ~~provided every two years.~~

1 (3) The board may:

2 ~~((Accept from any state or federal agency, loans or grants~~
3 ~~for the financing of any transportation project and enter into~~
4 ~~agreements with any such agency concerning the loans or grants;~~

5 ~~(b))~~ Provide technical assistance to project ~~((applicants))~~
6 sponsors;

7 ~~((e))~~ (b) Accept any gifts, grants, or loans of funds,
8 property, or financial, or other aid in any form from any other
9 source on any terms and conditions which are not in conflict with
10 this chapter;

11 ~~((d))~~ (c) Adopt rules under chapter 34.05 RCW as necessary to
12 carry out the purposes of this chapter; ~~((and~~

13 ~~(e))~~ (d) Do all things necessary or convenient to carry out the
14 powers expressly granted or implied under this chapter;

15 (e) Evaluate and recommend for state sponsorship priority
16 projects eligible for federal grant funding under the nationally
17 significant multimodal freight and highway projects program, also
18 known as the infrastructure for rebuilding America program,
19 established in 23 U.S.C. Sec. 117 and the railroad crossing
20 elimination program established in 49 U.S.C. Sec. 22909; and

21 (f) For critical emerging freight issues identified under
22 subsection (2)(e) of this section, proactively work with potential
23 project sponsors, impacted communities, and other interested parties
24 to facilitate project development to address these critical issues.

25 ~~((3))~~ (4) The board shall ~~((designate))~~:

26 (a) Designate strategic freight corridors within the state. The
27 board shall update the list of designated strategic corridors not
28 less than every two years, and shall establish a method of collecting
29 and verifying data, including information on city and county-owned
30 roadways ~~((-~~

31 ~~(4) The board shall))~~;

32 (b) Coordinate with the department of transportation throughout
33 the process of its periodic update of the state's freight mobility
34 plan and review and provide feedback on the plan;

35 (c) For the purposes of developing the six-year program of
36 highest priority freight mobility investments, utilize threshold
37 project eligibility criteria that, at a minimum, includes the
38 following:

39 ~~((a))~~ (i) The project must be on a strategic freight corridor;

40 ~~((b) The project must meet one of the following conditions:~~

1 ~~(i) It is primarily aimed at reducing identified barriers to~~
2 ~~freight movement with only incidental benefits to general or personal~~
3 ~~mobility; or~~

4 ~~(ii) It is primarily aimed at increasing capacity for the~~
5 ~~movement of freight with only incidental benefits to general or~~
6 ~~personal mobility; or~~

7 ~~(iii) It is primarily aimed at mitigating the impact on~~
8 ~~communities of increasing freight movement, including roadway/railway~~
9 ~~conflicts; and~~

10 ~~(c) The project must have a total public benefit/total public~~
11 ~~cost ratio of equal to or greater than one.~~

12 ~~(5) From June 11, 1998, through the biennium ending June 30,~~
13 ~~2001, the board shall use the multicriteria analysis and scoring~~
14 ~~framework for evaluating and ranking eligible freight mobility and~~
15 ~~freight mitigation projects developed by the freight mobility project~~
16 ~~prioritization committee and contained in the January 16, 1998,~~
17 ~~report entitled "Project Eligibility, Priority and Selection Process~~
18 ~~for a Strategic Freight Investment Program." The prioritization~~
19 ~~process shall measure the degree to which projects address important~~
20 ~~program objectives and shall generate a project score that reflects a~~
21 ~~project's priority compared to other projects. The board shall assign~~
22 ~~scoring points to each criterion that indicate the relative~~
23 ~~importance of the criterion in the overall determination of project~~
24 ~~priority. After June 30, 2001, the board may supplement and refine~~
25 ~~the initial project priority criteria and scoring framework developed~~
26 ~~by the freight mobility project prioritization committee as expertise~~
27 ~~and experience is gained in administering the freight mobility~~
28 ~~program.~~

29 ~~(6) It is the intent of the legislature that each freight~~
30 ~~mobility project contained in the project portfolio approved by the~~
31 ~~board utilize the greatest amount of nonstate funding possible. The~~
32 ~~board shall adopt rules that give preference to projects that contain~~
33 ~~the greatest levels of financial participation from nonprogram fund~~
34 ~~sources. The board shall consider twenty percent as the minimum~~
35 ~~partnership contribution, but shall also ensure that there are~~
36 ~~provisions allowing exceptions for projects that are located in areas~~
37 ~~where minimal local funding capacity exists or where the magnitude of~~
38 ~~the project makes the adopted partnership contribution financially~~
39 ~~unfeasible.~~

1 ~~(7) The board shall develop~~) (ii) The project sponsor must
2 demonstrate a plan for:

3 (A) Sufficient engagement with overburdened communities impacted
4 by the project; and

5 (B) The evaluation of project alternatives and mitigation
6 measures addressing the impacts on these communities to the greatest
7 extent possible;

8 (d) Adopt other evaluation criteria for the six-year program of
9 highest priority freight mobility investments to include, but not be
10 limited to, benefits to the state's freight system, how much funding
11 has already been secured for a project, project readiness for
12 construction, and the regional distribution of projects;

13 (e) For the six-year investment program, solicit from public
14 entities proposed projects that meet threshold criteria established
15 in accordance with this subsection. The procedures for collecting and
16 validating project information must rely on information project
17 sponsors have already developed to the greatest extent possible; and

18 (f) Develop and recommend policies that address operational
19 improvements that primarily benefit and enhance freight movement(~~(7)~~)
20 including, but not limited to, policies that reduce congestion in
21 truck lanes at border crossings and weigh stations and provide for
22 access to ports during nonpeak hours.

23 NEW SECTION. Sec. 4. The freight mobility strategic investment
24 board must contract for a study of best practices for preventing or
25 mitigating the impacts of investments in and the operation of freight
26 systems in overburdened communities, with a focus on developing
27 common procedures and practices for use by jurisdictions developing
28 freight projects. The study must also make recommendations to the
29 board regarding methods to evaluate the threshold criteria requiring
30 projects to demonstrate a plan for engagement with overburdened
31 communities and mitigation of project impacts in those communities.
32 The recommended methods should not create duplicative burdens on
33 project sponsors. The board must work with the department of
34 enterprise services to ensure that a diverse group of potential
35 consultants are notified of the contracting opportunity. By December
36 1, 2024, the board must submit a report to the governor and
37 transportation committees of the legislature with its findings and
38 recommendations.

1 **Sec. 5.** RCW 47.06A.030 and 1999 c 216 s 2 are each amended to
2 read as follows:

3 (1) The freight mobility strategic investment board is created.
4 The board shall convene by July 1, 1998.

5 (2) The board is composed of (~~twelve~~) 17 members. The following
6 members are appointed by the governor for terms of four years, except
7 that five members initially are appointed for terms of two years: (a)
8 Two members, one of whom is from a city located within or along a
9 strategic freight corridor, appointed from a list of at least four
10 persons nominated by the association of Washington cities or its
11 successor; (b) two members, one of whom is from a county having a
12 strategic freight corridor within its boundaries, appointed from a
13 list of at least four persons nominated by the Washington state
14 association of counties or its successor; (c) two members, one of
15 whom is from a port district located within or along a strategic
16 freight corridor, appointed from a list of at least four persons
17 nominated by the Washington public ports association or its
18 successor; (d) one member representing the office of financial
19 management; (e) one member appointed as a representative of the
20 trucking industry; (f) one member appointed as a representative of
21 the railroads; (g) the secretary of the department of transportation
22 or the secretary's designee; (h) one member representing the
23 steamship industry; (~~and~~) (i) one member representing the package
24 delivery industry; (j) one labor member representing the freight
25 sector; (k) one member representing the heavy highway construction
26 industry; (l) one member representing environmental protection
27 interests; (m) one member representing the interests of overburdened
28 communities; and (n) one member of the general public. In appointing
29 the general public member, the governor shall endeavor to appoint a
30 member with special expertise in relevant fields such as public
31 finance, freight transportation, or public works construction. The
32 governor shall appoint the general public member as chair of the
33 board. In making appointments to the board, the governor shall ensure
34 that each geographic region of the state is represented.

35 (3) Members of the board shall be reimbursed for reasonable and
36 customary travel expenses as provided in RCW 43.03.050 and 43.03.060.

37 (4) If a vacancy on the board occurs by death, resignation, or
38 otherwise, the governor shall fill the vacant position for the
39 unexpired term. Each vacancy in a position appointed from lists
40 provided by the associations and departments under subsection (2) of

1 this section must be filled from a list of at least four persons
2 nominated by the relevant association or associations.

3 (5) The appointments made in subsection (2) of this section are
4 not subject to confirmation.

5 **Sec. 6.** RCW 47.06.045 and 1998 c 175 s 10 are each amended to
6 read as follows:

7 The state-interest component of the statewide multimodal
8 transportation plan shall include a freight mobility plan which shall
9 assess the transportation needs to ensure the safe, reliable, and
10 efficient movement of goods within and through the state and to
11 ensure the state's economic vitality. The department shall coordinate
12 with the freight mobility strategic investment board throughout the
13 process of the department's periodic update of the state's freight
14 mobility plan and provide opportunities for the board to review and
15 provide feedback on the plan.

16 **Sec. 7.** RCW 47.06.070 and 1993 c 446 s 7 are each amended to
17 read as follows:

18 The state-interest component of the statewide multimodal
19 transportation plan shall include a state marine ports and navigation
20 plan, which shall assess the transportation needs of Washington's
21 marine ports, including navigation, and identify transportation
22 system improvements needed to support the international trade and
23 economic development role of Washington's marine ports. The
24 department shall coordinate with the freight mobility strategic
25 investment board throughout the process of the department's periodic
26 update of the state marine ports and navigation plan and provide
27 opportunities for the board to review and provide feedback on the
28 plan.

29 **Sec. 8.** RCW 46.68.300 and 2021 c 333 s 711 are each amended to
30 read as follows:

31 The freight mobility investment account is hereby created in the
32 state treasury. Money in the account may be spent only after
33 appropriation. Expenditures from the account ~~((may))~~ shall be used
34 only for freight mobility projects that have been ~~((approved))~~
35 recommended by the freight mobility strategic investment board in RCW
36 47.06A.020 and may include any principal and interest on bonds
37 authorized for the projects or improvements. ~~((During the 2019-2021~~

1 ~~and 2021-2023 fiscal biennia, the expenditures from the account may~~
2 ~~also be used for the administrative expenses of the freight mobility~~
3 ~~strategic investment board.))~~

4 **Sec. 9.** RCW 46.68.310 and 2020 c 219 s 702 are each amended to
5 read as follows:

6 The freight mobility multimodal account is created in the state
7 treasury. Money in the account may be spent only after appropriation.
8 Expenditures from the account ((may)) shall be used only for freight
9 mobility projects that have been ((approved)) recommended by the
10 freight mobility strategic investment board in RCW 47.06A.020 and may
11 include any principal and interest on bonds authorized for the
12 projects or improvements. ((However, during the 2019-2021 fiscal
13 biennium, the legislature may direct the state treasurer to make
14 transfers of moneys in the freight mobility multimodal account to the
15 multimodal transportation account.))

16 **Sec. 10.** RCW 47.06A.080 and 1998 c 175 s 9 are each amended to
17 read as follows:

18 Any port district may adopt and amend a freight development plan
19 as an amendment to the port's comprehensive scheme of harbor
20 improvements, pursuant to RCW 53.20.020. Port districts in the state
21 shall submit their freight development plans to the relevant regional
22 transportation planning organization or metropolitan planning
23 organization, the Washington state department of transportation, the
24 freight mobility strategic investment board, and affected cities and
25 counties to better coordinate the development and funding of freight
26 mobility projects.

27 NEW SECTION. **Sec. 11.** The following acts or parts of acts are
28 each repealed:

29 (1) RCW 47.06A.045 (Board—Standing committee—Travel
30 reimbursement) and 2013 c 306 s 707;

31 (2) RCW 47.06A.050 (Allocation of funds) and 2016 c 23 s 1, 2013
32 c 104 s 2, & 1998 c 175 s 6; and

33 (3) RCW 47.06A.060 (Grants and loans) and 1998 c 175 s 7.

34 NEW SECTION. **Sec. 12.** (1) RCW 47.06A.080 is recodified as a
35 section in chapter 53.20 RCW.

1 (2) RCW 47.06A.090 is recodified as a section in chapter 47.04
2 RCW.

--- **END** ---