## SUBSTITUTE SENATE BILL 6277

State of Washington 68th Legislature 2024 Regular Session

By Senate Transportation (originally sponsored by Senators Liias, King, Hunt, Nobles, and Shewmake)

READ FIRST TIME 02/05/24.

AN ACT Relating to creating a new statutory framework for the use 1 2 of public-private partnerships for transportation projects; amending 3 RCW 47.56.030, 47.56.031, and 70A.15.4030; adding a new section to chapter 47.10 RCW; adding a new chapter to Title 47 RCW; repealing 4 RCW 47.29.010, 47.29.020, 47.29.030, 47.29.040, 47.29.050, 47.29.060, 5 47.29.070, 47.29.080, 47.29.090, 47.29.100, 47.29.110, 6 47.29.120, 7 47.29.130, 47.29.140, 47.29.150, 47.29.160, 47.29.170, 47.29.180, 8 47.29.190, 47.29.200, 47.29.210, 47.29.220, 47.29.230, 47.29.240, 9 47.29.250, 47.29.260, 47.29.270, 47.29.280, and 47.29.290; and 10 providing an effective date.

## 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. 1. FINDINGS. (1) The legislature finds that a 12 13 full set of project procurement, contracting, and funding tools are 14 needed to enable the delivery of transportation projects in a manner most advantageous to the public. Current public-private partnership 15 16 laws have failed to spur innovative proposals from the private sector 17 project delivery approaches from the department. legislature confirms the findings from previous studies that current 18 19 laws and administrative processes are the primary obstacle impairing 20 the state's ability to utilize public-private partnerships.

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- 1 (2) The legislature finds that a new public-private partnership 2 law is needed to:
- 3 (a) Transparently demonstrate and deliver better value for the 4 public including, but not limited to, expedited project delivery and 5 more effective management of project life-cycle costs;
- 6 (b) Provide an additional option for delivering complex 7 transportation projects;
- 8 (c) Incorporate private sector expertise and innovation into 9 transportation project delivery;
- 10 (d) Allocate project risks to the parties best able to manage 11 those risks;
  - (e) Allow new sources for private capital;

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- (f) Increase access to federal funding and financing mechanisms;
- 14 (g) Better align private sector incentives with public 15 priorities; and
- 16 (h) Provide consistency in the review and approval processes for 17 the full range of project delivery tools and contracting methods.
- NEW SECTION. Sec. 2. DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
  - (1) "Commission" means the transportation commission.
- 22 (2) "Department" means the department of transportation.
- 23 (3) "Eligible project" means any project eligible for development 24 under section 4 of this act.
- 25 (4) "Private sector partner" and "private partner" means a 26 person, entity, or organization that is not the federal government, a 27 state, or a political subdivision of a state.
- 28 (5) "Public funds" means all moneys derived from taxes, fees, 29 charges, tolls, or other levies of money from the public.
- 30 (6) "Public sector partner" and "public partner" means any 31 federal or state unit of government, bistate transportation 32 organization, or any other political subdivision of any state.
- 33 (7) "State finance committee" means the entity created in chapter 34 43.33 RCW.
- 35 (8) "Transportation project" means a project, whether capital or 36 operating, where the state's purpose for the project is to preserve 37 or facilitate the safe transport of people or goods via any mode of 38 travel.

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(9) "Unit of government" means any department or agency of the federal government, any state or agency, office, or department of a state, any city, county, district, commission, authority, entity, port, or other public corporation organized and existing under statutory law or under a voter-approved charter or initiative, and any intergovernmental entity created under chapter 39.34 RCW or this chapter.

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- 8 NEW SECTION. Sec. 3. WASHINGTON STATE DEPARTMENT OF TRANSPORTATION POWERS AND DUTIES. (1) The department shall develop policies and, where appropriate, adopt rules to carry out this chapter and govern the use of public-private partnerships for transportation projects. At a minimum, the department's policies and rules must address the following issues:
- 14 (a) Consistent with section 4 of this act, the types of projects 15 allowed;
  - (b) Consistent with section 7 of this act, a process and methodology for determining whether a public-private partnership delivery model will be in the public's interest;
    - (c) Consistent with section 12 of this act, a process and methodology for determining whether a negotiated partnership agreement will result in greater public value to the state than if the project is delivered using other procurement and contracting methods;
- 24 (d) The types of contracts allowed, with consideration given to 25 the best practices available;
  - (e) Minimum standards and criteria required of all proposals;
  - (f) Procedures for the proper identification, solicitation, acceptance, review, and evaluation of projects, consistent with existing project procurement and contracting requirements and practices;
- 31 (g) Criteria to be considered in the evaluation and selection of 32 proposals that includes:
- (i) Comparison with the department's internal ability to complete the project that documents the advantages of completing the project as a partnership versus solely as a public venture; and
- 36 (ii) Factors such as, but not limited to: Priority, life-cycle 37 cost, risk sharing, scheduling, innovation, and management 38 conditions;

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1 (h) The protection of confidential proprietary information while 2 still meeting the need for transparency and public disclosure that is 3 consistent with section 13 of this act;

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- (i) Protection for local contractors to participate in subcontracting opportunities;
- 6 (j) Specifying that maintenance issues must be resolved in a 7 manner consistent with chapter 41.80 RCW;
  - (k) Guidelines to address security and performance issues.
- 9 (2) Preliminary rules, policies, and guidelines developed under 10 this section must be submitted to the chairs and ranking members of 11 both transportation committees by November 30, 2026, for review and 12 comment, prior to final adoption by the department.
- NEW SECTION. Sec. 4. ELIGIBLE PROJECTS. (1) Projects eligible for development under this chapter include transportation projects.
- 15 (2) For any project that requires the imposition of tolls on a 16 state facility, the legislature must approve the imposition of such 17 tolls consistent with RCW 47.56.820.
- 18 (3) For any project that requires setting or adjusting toll rates 19 on a state facility, the commission has sole responsibility 20 consistent with RCW 47.56.850.
- NEW SECTION. Sec. 5. ELIGIBLE FINANCING. (1) Subject to the limitations in this section, the department may, in connection with the evaluation of eligible projects, consider any financing mechanisms from any lawful source, either integrated as part of a project proposal or as a separate, stand-alone proposal to finance a project. Financing may be considered for all or part of a proposed project. A project may be financed in whole or in part with:
- (a) The proceeds of grant anticipation revenue bonds authorized under 23 U.S.C. Sec. 122 and applicable state law. Legislative authorization and appropriation are required to use this source of financing;
  - (b) Grants, loans, loan guarantees, lines of credit, revolving lines of credit, or other financing arrangements available under the transportation infrastructure finance and innovation act under 23 U.S.C. Sec. 181 et seq., or any other applicable federal law;
- 36 (c) Infrastructure loans or assistance from the state 37 infrastructure bank established under RCW 82.44.195;

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1 (d) Federal, state, or local revenues, subject to appropriation 2 by the applicable legislative authority;

- (e) User fees, tolls, fares, lease proceeds, rents, gross or net receipts from sales, proceeds from the sale of development rights, franchise fees, or any other lawful form of consideration. However, projects financed by tolls must first be authorized by the legislature under RCW 47.56.820;
- 8 (f) Loans, pledges, or contributions of funds, including equity 9 investments, from private entities.
  - (2) Subject to subsection (4) of this section, the department may develop a plan of finance that would require either the state or a private partner, or both, to: Issue debt, equity, or other securities or obligations; enter into contracts, leases, concessions, and grant and loan agreements; or secure any financing with a pledge of funds to be appropriated by the legislature or with a lien or exchange of real property.
  - (3) As security for the payment of any financing, the revenues from the project may be pledged, but no such pledge of revenues constitutes in any manner or to any extent a general obligation of the state, unless specifically authorized by the legislature. Any financing described in this section may be structured on a senior, parity, or subordinate basis to any other financing.
  - (4) The department shall not execute any agreement, including any agreement that could materially impact the state's debt capacity or credit rating, without prior review and approval of the plan of finance and proposed financing terms by the state finance committee.
  - NEW SECTION. Sec. 6. USE OF FEDERAL FUNDS OR OTHER SOURCES. (1) The department may accept from the United States or any of its agencies such funds as are available to this state or to any other unit of government for carrying out the purposes of this chapter, whether the funds are made available by grant, loan, or other financing arrangement. The department may enter into such agreements and other arrangements with the United States or any of its agencies as may be necessary, proper, and convenient for carrying out the purposes of this chapter, subject to subsection (2) of this section.
  - (2)(a) The department may accept from any source any grant, donation, gift, or other form of conveyance of land, money, other real or personal property, or other valuable thing made to the state

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of Washington, the department, or a local government for carrying out the purposes of this chapter.

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- (b) Any eligible project may be financed in whole or in part by contribution of any funds or property made by any private entity or public sector partner that is a party to any agreement entered into under this chapter.
- NEW SECTION. Sec. 7. PUBLIC INTEREST FINDING. (1) The department may evaluate projects that are already programmed for other delivery methods to determine their appropriateness for delivery under a public-private partnership model.
  - (2) Before entering into a formal solicitation or procurement to develop a project as a public-private partnership, the department must make formal findings that utilizing a public-private partnership delivery method is in the public's interest. The department must adopt rules detailing the process and criteria for making such findings. At a minimum, the criteria must consider whether:
    - (a) Public ownership of the asset can be retained;
  - (b) Transparency during the consideration of a public-private partnership agreement can be provided;
- 20 (c) Public oversight of the private entity's management of the 21 asset can be provided; and
- 22 (d) Additional criteria that reflects the legislative findings in section 1 of this act.
  - (3) Upon a finding of public interest pursuant to subsection (2) of this section, the department must provide written notification of their finding of public interest and intent to deliver the project as a public-private partnership to the general public, to the chairs and ranking members of the transportation committees of the legislature, and to the governor.
- 30 (4) Before commencing any solicitation to deliver the project as 31 a public-private partnership, the department must provide an 32 opportunity for public comment on the proposed project and delivery 33 method.
- 34 (5) Upon a finding of public interest pursuant to subsection (2) 35 of this section, the department may:
- 36 (a) Solicit concepts or proposals for the identified public-37 private partnership project from private entities and units of 38 government;

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- 1 (b) Evaluate the concepts or proposals received under this 2 section. The evaluation under this subsection must include 3 consultation with any appropriate unit of government; and
- 4 (c) Select potential projects based on the concepts or proposals.
- 5 NEW SECTION. Sec. 8. USE OF FUNDS FOR PROPOSAL PURPOSES. (1) The department may spend such moneys as may be necessary for stipends 6 for respondents to a solicitation, the evaluation of concepts or 7 proposals for eligible projects, and for negotiating agreements for 8 eligible projects authorized under this chapter. Expenses incurred by 9 10 department under this section before the issuance transportation project bonds or other financing must be paid by the 11 department and charged to the appropriate project. The department 12 must keep records and accounts showing each charged amount. 13

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- (2) Unless otherwise provided in the omnibus transportation appropriations act, the funds spent by the department under this section in connection with the project must be repaid from the proceeds of the bonds or other financing upon the sale of transportation project bonds or upon obtaining other financing for an eligible project, as allowed by law or contract.
- NEW SECTION. Sec. 9. EXPERT CONSULTATION. The department may consult with legal, financial, technical, and other experts in the public and private sector in the evaluation, negotiation, and development of projects under this chapter.
- NEW SECTION. Sec. 10. CONTRACTED STUDIES. In the absence of any direct federal funding or direction, the department may contract with a private developer of a selected project proposal to conduct environmental impact studies and engineering and technical studies.
- NEW SECTION. Sec. 11. PARTNERSHIP AGREEMENTS. (1) The following provisions must be included in any transportation project agreement entered into under the authority of this chapter and to which the state is a party:
- 32 (a) For any project that proposes terms for stand alone 33 maintenance or asset management services for a public facility, those 34 services must be provided in a manner consistent with any collective 35 bargaining agreements, chapter 41.80 RCW, and civil service laws that 36 are in effect for the public facility;

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1 (b) A finding of public interest, as issued by the department 2 pursuant to section 7 of this act;

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- (c) If there is a tolling component to the project, it must be specified that tolling technology used in the project must be consistent with tolling technology standards adopted by the department for transportation-related projects;
- (d) Provisions for bonding, financial guarantees, deposits, or the posting of other security to secure the payment of laborers, subcontractors, and suppliers who perform work or provide materials as part of the project;
- 11 (e) All projects must be financed in a manner consistent with 12 section 6 of this act.
- 13 (2) At a minimum, agreements between the state and private sector 14 partners entered into under this section must specifically include 15 the following contractual elements:
  - (a) The point in the project at which public and private sector partners will enter the project and which partners will assume responsibility for specific project elements;
- 19 (b) How the partners will share management of the risks of the 20 project;
  - (c) The compensation method and amount for the private partner, establishing a maximum rate of return, and identifying how project revenue, if any, in excess of the maximum rate of return will be distributed;
  - (d) How the partners will share the costs of development of the project;
- 27 (e) How the partners will allocate financial responsibility for 28 cost overruns;
  - (f) The penalties for nonperformance;
  - (g) The incentives for performance;
- 31 (h) The accounting and auditing standards to be used to evaluate 32 work on the project;
  - (i) For any project that reverts to public ownership, the responsibility for reconstruction or renovations that are required for a facility to meet all service standards and state of good repair upon reversion of the facility to the state;
- 37 (j) Provisions and remedies for default by either party, and provisions for termination of the agreement for or without cause;
- 39 (1) Provisions for public communication and participation with 40 respect to the development of the project.

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NEW SECTION. Sec. 12. BEST VALUE FINDING AND AGREEMENT EXECUTION. Before executing an agreement under this chapter, the department must make a formal finding that the negotiated partnership agreement is expected to result in best value for the public. The department must develop and adopt a process and criteria for measuring, determining, and transparently reporting best value relevant to the proposed project. At minimum, the criteria must include:

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- 9 (1) A comparison of the total cost to deliver the project, 10 including any operations and maintenance costs, as a public-private 11 partnership compared to traditional or other alternative delivery 12 methods available to the department;
  - (2) A comparison with the department's current plan, resources, delivery capacity, and schedule to complete the project that documents the advantages of completing the project as a public-private partnership versus solely as a public venture; and
- 17 (3) Factors such as, but not limited to: Priority, cost, risk 18 sharing, scheduling, asset and service quality, innovation, and 19 management conditions.
- 20 <u>NEW SECTION.</u> **Sec. 13.** CONFIDENTIALITY. A proposer must identify 21 those portions of a proposal that the proposer considers to be 22 confidential, proprietary information, or trade secrets and provide any justification as to why these materials, upon request, should not 23 24 be disclosed by the department. Patent information will be covered 25 until the patent expires. Other information, such as originality of design or records of negotiation, may only be protected under this 26 27 section until an agreement is reached. Disclosure must occur before final agreement and execution of the contract. Projects under federal 28 jurisdiction or using federal funds must conform to federal 29 30 regulations under the freedom of information act.
- NEW SECTION. Sec. 14. PREVAILING WAGES. If public funds are used to pay any costs of construction of a public facility that is part of an eligible project, chapter 39.12 RCW applies to the entire eligible public works project.
- NEW SECTION. Sec. 15. GOVERNMENT AGREEMENTS. The state may, either separately or in combination with any other public sector partner, enter into working agreements, coordination agreements, or

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- 1 similar implementation agreements, including the formation of bistate
- 2 transportation organizations, to carry out the joint implementation
- 3 and operation of a transportation project selected under this
- 4 chapter. The state may enter into agreements with other units of
- 5 government or Canadian provinces for transborder transportation
- 6 projects.
- 7 <u>NEW SECTION.</u> **Sec. 16.** EMINENT DOMAIN. The state may exercise
- 8 the power of eminent domain to acquire property, rights-of-way, or
- 9 other rights in property for projects that are necessary to implement
- 10 an eligible project developed under this chapter, regardless of
- 11 whether the property will be owned in fee simple by the state.
- 12 <u>NEW SECTION.</u> **Sec. 17.** FEDERAL LAWS. Applicable federal laws,
- 13 rules, and regulations govern in any situation that involves federal
- 14 funds if the federal laws, rules, or regulations:
- 15 (1) Conflict with any provision of this chapter;
- 16 (2) Require procedures that are additional to or different from 17 those provided in this chapter; or
- 18 (3) Require contract provisions not authorized in this chapter.
- 19 If federal funds are provided, disadvantaged business enterprise
- 20 inclusion requirements as established, monitored, and administered by
- 21 the department's office of equity and civil rights apply. If no
- 22 federal funds are provided, state laws, rates, and rules must govern,
- 23 including the small business enforceable goals program required
- 24 through 49 C.F.R. Sec. 26.39 as established, monitored, and
- 25 administered by the department's office of equity and civil rights.
- 26 NEW SECTION. Sec. 18. PUBLIC-PRIVATE PARTNERSHIPS ACCOUNT. (1)
- 27 The public-private partnerships account is created in the custody of
- 28 the state treasurer.
- 29 (2) The following moneys must be deposited into the account:
- 30 (a) Proceeds from bonds or other financing instruments issued 31 under section 19 of this act;
- 32 (b) Revenues received from any transportation project developed
- 33 under this chapter or developed under the general powers granted to
- 34 the department; and
- 35 (c) Any other moneys that are by donation, grant, contract, law,
- 36 or other means transferred, allocated, or appropriated to the
- 37 account.

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(3) Expenditures from the account may be used only to ensure the repayment of loan guarantees or extensions of credit made to or on behalf of private entities engaged in the planning, acquisition, financing, development, design, construction, reconstruction, replacement, improvement, maintenance, preservation, management, repair, or operation of any eligible project under this chapter. The lien of a pledge made under this subsection is subordinate to the lien of a pledge securing bonds payable from moneys in the motor vehicle fund created in RCW 46.68.070.

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- (4) The state treasurer may establish separate subaccounts within the public-private partnerships account for each transportation project that is initiated under this chapter or under the general powers granted to the department. The state may pledge moneys in the public-private partnerships account to secure revenue bonds or any other debt obligations relating to the project for which the account is established.
- (5) Only the secretary or the secretary's designee may authorize distributions from the account. The account is subject to the allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.
- NEW SECTION. Sec. 19. A new section is added to chapter 47.10 RCW to read as follows:

BOND ISSUANCE. (1) In addition to any authority the department has to issue and sell bonds and other similar obligations, this section establishes continuing authority for the issuance and sale of bonds and other similar obligations in a manner consistent with this section. To finance a project as authorized in chapter 47.--- RCW (the new chapter created in section 24 of this act) in whole or in part, the department may request that the state treasurer issue revenue bonds on behalf of the public sector partner. The bonds must be secured by a pledge of, and a lien on, and be payable only from moneys in the public-private partnerships account created in section 18 of this act, and any other revenues specifically pledged to repayment of the bonds. Such a pledge by the public partner creates a lien that is valid and binding from the time the pledge is made. Revenue bonds issued under this section are not general obligations of the state or local government and are not secured by or payable from any funds or assets of the state other than the moneys and revenues specifically pledged to the repayment of such revenue bonds.

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1 (2) Moneys received from the issuance of revenue bonds or other 2 debt obligations, including any investment earnings thereon, may be 3 spent:

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- (a) For the purpose of financing the costs of the project for which the bonds are issued;
- 6 (b) To pay the costs and other administrative expenses of the 7 bonds;
- 8 (c) To pay the costs of credit enhancement or to fund any 9 reserves determined to be necessary or advantageous in connection 10 with the revenue bonds; and
- 11 (d) To reimburse the public sector partners for any costs related 12 to carrying out the projects authorized under this chapter.
- 13 **Sec. 20.** RCW 47.56.030 and 2023 c 429 s 6 are each amended to 14 read as follows:
- 15 (1) Except as permitted under chapter ((47.29)) 47.--- RCW (the new chapter created in section 24 of this act) or 47.46 RCW:
  - (a) Unless otherwise delegated, and subject to RCW 47.56.820, the department of transportation shall have full charge of the planning, analysis, and construction of all toll bridges and other toll facilities including the Washington state ferries, and the operation and maintenance thereof.
- 22 (b) The transportation commission shall determine and establish 23 the tolls and charges thereon.
  - (c) Unless otherwise delegated, and subject to RCW 47.56.820, the department shall have full charge of planning, analysis, and design of all toll facilities. The department may conduct the planning, analysis, and design of toll facilities as necessary to support the legislature's consideration of toll authorization.
  - (d) The department shall utilize and administer toll collection systems that are simple, unified, and interoperable. To the extent practicable, the department shall avoid the use of toll booths. The department shall set the statewide standards and protocols for all toll facilities within the state, including those authorized by local authorities.
  - (e) Except as provided in this section, the department shall proceed with the construction of such toll bridges and other facilities and the approaches thereto by contract in the manner of state highway construction immediately upon there being made available funds for such work and shall prosecute such work to

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completion as rapidly as practicable. The department is authorized to negotiate contracts for any amount without bid under (e)(i) and (ii) of this subsection:

- (i) Emergency contracts, in order to make repairs to ferries or ferry terminal facilities or removal of such facilities whenever continued use of ferries or ferry terminal facilities constitutes a real or immediate danger to the traveling public or precludes prudent use of such ferries or facilities; and
- (ii) Single source contracts for vessel dry dockings, when there is clearly and legitimately only one available bidder to conduct dry dock-related work for a specific class or classes of vessels. The contracts may be entered into for a single vessel dry docking or for multiple vessel dry dockings for a period not to exceed two years.
- (f) Any new vessel planning, construction, purchase, analysis, or design work must be consistent with RCW 47.60.810, except as otherwise provided in RCW 47.60.826.
- (2) The department shall proceed with the procurement of materials, supplies, services, and equipment needed for the support, maintenance, and use of a ferry, ferry terminal, or other facility operated by Washington state ferries, in accordance with chapter 43.19 RCW except as follows:
- (a) When the secretary of the department of transportation determines in writing that the use of invitation for bid is either not practicable or not advantageous to the state and it may be necessary to make competitive evaluations, including technical or performance evaluations among acceptable proposals to complete the contract award, a contract may be entered into by use of a competitive sealed proposals method, and a formal request for proposals solicitation. Such formal request for proposals solicitation shall include a functional description of the needs and requirements of the state and the significant factors.
- (b) When purchases are made through a formal request for proposals solicitation the contract shall be awarded to the responsible proposer whose competitive sealed proposal is determined in writing to be the most advantageous to the state taking into consideration price and other evaluation factors set forth in the request for proposals. No significant factors may be used in evaluating a proposal that are not specified in the request for proposals. Factors that may be considered in evaluating proposals include but are not limited to: Price; maintainability; reliability;

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- commonality; performance levels; life-cycle cost if applicable under this section; cost of transportation or delivery; delivery schedule offered; installation cost; cost of spare parts; availability of parts and service offered; and the following:
- 5 (i) The ability, capacity, and skill of the proposer to perform 6 the contract or provide the service required;
- 7 (ii) The character, integrity, reputation, judgment, experience, 8 and efficiency of the proposer;
- 9 (iii) Whether the proposer can perform the contract within the 10 time specified;
- 11 (iv) The quality of performance of previous contracts or 12 services:
- 13 (v) The previous and existing compliance by the proposer with laws relating to the contract or services;
- (vi) Objective, measurable criteria defined in the request for proposal. These criteria may include but are not limited to items such as discounts, delivery costs, maintenance services costs, installation costs, and transportation costs; and
- 19 (vii) Such other information as may be secured having a bearing 20 on the decision to award the contract.

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- (c) When purchases are made through a request for proposal process, proposals received shall be evaluated based on the evaluation factors set forth in the request for proposal. When issuing a request for proposal for the procurement of propulsion equipment or systems that include an engine, the request for proposal must specify the use of a life-cycle cost analysis that includes an evaluation of fuel efficiency. When a life-cycle cost analysis is used, the life-cycle cost of a proposal shall be given at least the same relative importance as the initial price element specified in the request of proposal documents. The department may reject any and all proposals received. If the proposals are not rejected, the award shall be made to the proposer whose proposal is most advantageous to the department, considering price and the other evaluation factors set forth in the request for proposal.
- 35 **Sec. 21.** RCW 47.56.031 and 2005 c 335 s 2 are each amended to 36 read as follows:
- No tolls may be imposed on new or existing highways or bridges without specific legislative authorization, or upon a majority vote of the people within the boundaries of the unit of government

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- 1 empowered to impose tolls. This section applies to chapter  $47.56\ \text{RCW}$
- 2 and to any tolls authorized under chapter ((47.29 RCW, the)
- 3 transportation innovative partnership act of 2005)) 47.--- RCW (the
- 4 new chapter created in section 24 of this act).

- **Sec. 22.** RCW 70A.15.4030 and 2020 c 20 s 1126 are each amended to read as follows:
  - (1) A county, city, or town may, as part of its commute trip reduction plan, designate existing activity centers listed in its comprehensive plan or new activity centers as growth and transportation efficiency centers and establish a transportation demand management program in the designated area.
  - (a) The transportation demand management program for the growth and transportation efficiency center shall be developed in consultation with local transit agencies, the applicable regional transportation planning organization, major employers, and other interested parties.
  - (b) In order to be eligible for state funding provided for the purposes of this section, designated growth and transportation efficiency centers shall be certified by the applicable regional transportation organization to: (i) Meet the minimum land use and transportation criteria established in collaboration among local jurisdictions, transit agencies, the regional transportation planning organization, and other interested parties as part of the regional commute trip reduction plan; and (ii) have established a transportation demand management program that includes the elements identified in (c) of this subsection and is consistent with the rules established by the department of transportation in RCW 70A.15.4060(2). If a designated growth and transportation efficiency center is denied certification, the local jurisdiction may appeal the decision to the commute trip reduction board.
  - (c) Transportation demand management programs for growth and transportation efficiency centers shall include, but are not limited to: (i) Goals for reductions in the proportion of single-occupant vehicle trips that are more aggressive than the state program goal established by the commute trip reduction board; (ii) a sustainable financial plan demonstrating how the program can be implemented to meet state and regional trip reduction goals, indicating resources from public and private sources that are reasonably expected to be made available to carry out the plan, and recommending any innovative

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- 1 financing techniques consistent with chapter ((47.29 RCW)) 47.--- RCW(the new chapter created in section 24 of this act), including 2 public/private partnerships, to finance needed facilities, services, 3 programs; (iii) a proposed organizational structure for 4 implementing the program; (iv) a proposal to measure performance 5 6 toward the goal and implementation progress; and (v) an evaluation to 7 which local land use and transportation policies apply, including parking policies and ordinances, to determine the extent that they 8 complement and support the trip reduction investments of major 9 employers. Each of these program elements shall be consistent with 10 11 the rules established under RCW 70A.15.4060.
  - (d) A designated growth and transportation efficiency center shall be consistent with the land use and transportation elements of the local comprehensive plan.

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- (e) Transit agencies, local governments, and regional transportation planning organizations shall identify certified growth and transportation efficiency centers as priority areas for new service and facility investments in their respective investment plans.
- 20 (2) A county, city, or town that has established a growth and 21 transportation efficiency center program shall support vehicle trip 22 reduction activities in the designated area. The implementing 23 jurisdiction shall adopt policies, ordinances, and funding strategies 24 that will lead to attainment of program goals in those areas.
- NEW SECTION. Sec. 23. The following acts or parts of acts are each repealed:
- 27 (1) RCW 47.29.010 (Finding—Intent) and 2006 c 334 s 48 & 2005 c 28 317 s 1;
- 29 (2) RCW 47.29.020 (Definitions) and 2005 c 317 s 2;
- 30 (3) RCW 47.29.030 (Transportation commission powers and duties) 31 and 2005 c 317 s 3;
  - (4) RCW 47.29.040 (Purpose) and 2005 c 317 s 4;
- 33 (5) RCW 47.29.050 (Eligible projects) and 2005 c 317 s 5;
- 34 (6) RCW 47.29.060 (Eligible financing) and 2008 c 122 s 18 & 2005 35 c 317 s 6;
- 36 (7) RCW 47.29.070 (Use of federal funds and similar revenues) and 37 2005 c 317 s 7;
- 38 (8) RCW 47.29.080 (Other sources of funds or property) and 2005 c 39 317 s 8;

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- 1 (9) RCW 47.29.090 (Project review, evaluation, and selection) and 2 2005 c 317 s 9;
  - (10) RCW 47.29.100 (Administrative fee) and 2005 c 317 s 10;

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- 4 (11) RCW 47.29.110 (Funds for proposal evaluation and 5 negotiation) and 2005 c 317 s 11;
  - (12) RCW 47.29.120 (Expert consultation) and 2005 c 317 s 12;
- 7 (13) RCW 47.29.130 (Contracted studies) and 2005 c 317 s 13;
- 8 (14) RCW 47.29.140 (Partnership agreements) and 2005 c 317 s 14;
- 9 (15) RCW 47.29.150 (Public involvement and participation) and 10 2005 c 317 s 15;
- 11 (16) RCW 47.29.160 (Approval and execution) and 2005 c 317 s 16;
- 12 (17) RCW 47.29.170 (Unsolicited proposals) and 2017 c 313 s 711,
- 13 2015 1st sp.s. c 10 s 704, 2013 c 306 s 708, 2011 c 367 s 701, 2009 c
- 14 470 s 702, 2007 c 518 s 702, 2006 c 370 s 604, & 2005 c 317 s 17;
- 15 (18) RCW 47.29.180 (Advisory committees) and 2005 c 317 s 18;
- 16 (19) RCW 47.29.190 (Confidentiality) and 2005 c 317 s 19;
- 17 (20) RCW 47.29.200 (Prevailing wages) and 2005 c 317 s 20;
- 18 (21) RCW 47.29.210 (Government agreements) and 2005 c 317 s 21;
- 19 (22) RCW 47.29.220 (Eminent domain) and 2005 c 317 s 22;
- 20 (23) RCW 47.29.230 (Transportation innovative partnership 21 account) and 2005 c 317 s 23;
- 22 (24) RCW 47.29.240 (Use of account) and 2005 c 317 s 24;
- 23 (25) RCW 47.29.250 (Issuing bonds and other obligations) and 2005 24 c 317 s 25;
- 25 (26) RCW 47.29.260 (Study and report) and 2005 c 317 s 26;
- 26 (27) RCW 47.29.270 (Federal laws) and 2005 c 317 s 27;
- 27 (28) RCW 47.29.280 (Expert review panel on proposed project 28 agreements—Creation—Authority) and 2006 c 334 s 49; and
- 29 (29) RCW 47.29.290 (Expert review panel on proposed project 30 agreements—Execution of agreements) and 2006 c 334 s 50.
- NEW SECTION. Sec. 24. Sections 1 through 18 of this act
- 32 constitute a new chapter in Title 47 RCW.
- 33 <u>NEW SECTION.</u> **Sec. 25.** This act takes effect January 1, 2026.

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