

FINAL BILL REPORT

3ESHB 1317

C 19 L 95 E2

Synopsis as Enacted

Brief Description: Revising the selection process for transportation systems and facilities demonstration projects.

Sponsors: By House Committee on Transportation (originally sponsored by Representatives Robertson, Cairnes, B. Thomas, Mitchell, Van Luven, Dyer, Lambert, Radcliff, D. Schmidt, Backlund, Cooke, Reams, Campbell, Stevens, L. Thomas and Koster).

House Committee on Transportation

Senate Committee on Transportation

Background: New Partners: Public-Private Initiatives in Transportation (Chapter 47.46 RCW) is a program created by the 1993 Legislature to test the feasibility of privately financed transportation improvements in Washington State. The law provides a wide range of opportunities for private entities to undertake all or a portion of the study, planning, design, finance, construction, operation and maintenance of transportation systems and facilities.

The state Department of Transportation (DOT) is authorized to solicit proposals from the private sector and to select up to six demonstration projects identified by the private sector. Projects are owned by the private sector during construction, turned over to the state, and leased back for operation for up to 50 years. The private developer is authorized to impose tolls or user fees to recover its investment and allow a reasonable rate of return on investment.

In early fall of 1994, the DOT and the six private consortia selected for the New Partners Program began negotiating agreements to develop transportation facilities that include park & ride lot expansion, congestion pricing in the Puget Sound corridor, and corridor improvement on State Routes 16, 18, 520, and 522. These agreements identify the responsibilities and commitments of each party and will drive project development activities.

Public opposition to the process employed to select the demonstration projects, concern about the degree and quality of public involvement in the project development stage, and opposition to the proposed imposition by the private sector of tolls or user fees on these facilities led the DOT to terminate further consideration of the proposal

on the SR 18 corridor improvements. These same concerns also threaten the viability of the remaining five projects.

Summary: The legislative intent section of the Public-Private Initiatives in Transportation act is amended to clarify the purpose and parameters of agreements between the DOT and private entities. The program must be implemented with the support of affected communities and local jurisdictions.

The DOT is prohibited from implementing the Puget Sound Congestion Pricing Project until the Legislature reviews the social and economic impacts of the project and gives its approval.

A two-year moratorium (ending June 30, 1997) on the selection of additional projects, if any of the remaining four projects are terminated, is imposed. The DOT is required to conduct a program and fiscal audit within the two-year period.

The DOT must develop and submit to the 1997 Legislature, a public involvement plan for identifying new projects and must receive legislative approval of the plan before it can proceed with the identification and selection of new projects.

Prior to entering into agreements with private entities, the DOT must conduct an advisory vote, in a general or special election, on the imposition of tolls or user fees to implement a selected proposed project. Prior to the vote, the DOT is required to define the geographical area in which the vote occurs and establish Local Involvement Committees comprised of city and county elected officials, users, and representatives of organizations formed to oppose or support the selected proposed project. Local Involvement Committees are required to review the affected project area as defined by the department and assist the DOT in developing the project description for the ballot proposition. The DOT is required to provide the Legislative Transportation Committee with progress reports on the status of the definition of the affected project area and the description of the project proposal. An exemption from the advisory vote requirement is created for selected project proposals, both existing and future, that have no organized public opposition.

Agreements between the private sector and the DOT must include a public involvement process in the project development phase. Private entities must define the affected project area where public involvement will occur and seek public participation through a comprehensive process that allows users and residents in the affected project area to comment on such key issues as project alternative sizes and scopes, traffic impacts, tolling strategies and ranges, and environmental assessment. The private sector also is required to establish local involvement committees that will act in an advisory capacity on all issues related to the implementation of the public involvement process. Agreements may require an advisory vote by users and residents in the affected project area.

The agreements must also require the following: (1) that police services on public-private initiatives projects be with the Washington State Patrol; (2) that tolls and user fees only be used to pay the private entities capital outlay cost, including project development, design and construction costs; and (3) that there be no extension of tolls or users fees by DOT after the expiration of the franchise agreement.

The negotiation of excess toll revenues and user fees is prohibited.

The bill contains an emergency clause and takes effect immediately.

Votes on Final Passage:

House	86	11	
Senate	42	5	(Senate amended)
House			(House refused to concur)
Senate			(Senate refused to recede)
House			(House adhered)

First Special Session

House	79	12	
House	67	21	(House reconsidered)
Senate	37	11	(Senate amended)

Second Special Session

House	71	22	
Senate	33	12	

Effective: June 16, 1995