ENGROSSED SUBSTITUTE SENATE BILL 5749

State of Washington 57th Legislature 2001 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators McAuliffe, Horn, Winsley, Oke and Haugen; by request of The Blue Ribbon Commission on Transportation)

READ FIRST TIME 03/08/01.

AN ACT Relating to cost-benefit analysis for transportation planning; amending RCW 47.05.010, 47.05.030, 47.05.035, 47.05.051, and 47.06.130; providing an effective date; and declaring an emergency.

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

Sec. 1. RCW 47.05.010 and 1993 c 490 s 1 are each amended to read as follows:

The legislature finds that solutions to state highway deficiencies have become increasingly complex and diverse and that anticipated transportation revenues will fall substantially short of the amount required to satisfy all transportation needs. Difficult investment trade-offs will be required.

It is the intent of the legislature that investment of state transportation funds to address deficiencies on the state highway system be based on a policy of priority programming having as its basis the rational selection of projects and services according to factual need and an evaluation of life cycle costs and benefits ((~~and which~~)) that are systematically scheduled to carry out defined objectives within available revenue. The state must develop analytic tools to use a common methodology to measure benefits and costs for all modes.

The priority programming system ((~~shall~~)) must ensure preservation of the existing state highway system, relieve congestion, provide mobility for people and goods, support the state's economy, and promote environmental protection and energy conservation.

The priority programming system ((~~shall~~)) must implement the state-owned highway component of the statewide ((~~multimodal~~)) transportation plan, consistent with local and regional transportation plans, by targeting state transportation investment to appropriate multimodal solutions ((~~which~~)) that address identified state highway system deficiencies.

The priority programming system for improvements ((~~shall~~)) must incorporate a broad range of solutions that are identified in the statewide ((~~multimodal~~)) transportation plan as appropriate to address state highway system deficiencies, including but not limited to highway expansion, efficiency improvements, nonmotorized transportation facilities, high occupancy vehicle facilities, transit facilities and services, rail facilities and services, and transportation demand management programs.

Sec. 2. RCW 47.05.030 and 1998 c 171 s 6 are each amended to read as follows:

The transportation commission shall adopt a comprehensive six-year investment program specifying program objectives and performance measures for the preservation and improvement programs defined in this section. In the specification of investment program objectives and performance measures, the transportation commission, in consultation with the Washington state department of transportation, shall define and adopt standards for effective programming and prioritization practices including a needs analysis process. The ((~~needs~~)) analysis process ((~~shall~~)) must ensure the identification of problems and deficiencies, the evaluation of alternative solutions and trade-offs, and estimations of the costs and benefits of prospective projects. The investment program ((~~shall~~)) must be revised biennially, effective on July 1st of odd-numbered years. The investment program ((~~shall~~)) must be based upon the needs identified in the state-owned highway component of the statewide ((~~multimodal~~)) transportation plan as defined in RCW 47.01.071(3).

(1) The preservation program ((~~shall~~)) consists of those investments necessary to preserve the existing state highway system and

to restore existing safety features, giving consideration to lowest life cycle costing. The preservation program must require use of the most cost-effective pavement surfaces, considering:

(a) Life-cycle cost analysis;

(b) Traffic volume;

(c) Subgrade soil conditions;

(d) Environmental and weather conditions;

(e) Materials available; and

(f) Construction factors.

The comprehensive six-year investment program for preservation ((~~shall~~)) must identify projects for two years and an investment plan for the remaining four years.

(2) The improvement program ((~~shall~~)) consists of investments needed to address identified deficiencies on the state highway system to increase mobility, address congestion, and improve ((~~mobility,~~)) safety, support for the economy, and protection of the environment. The six-year investment program for improvements ((~~shall~~)) must identify projects for two years and major deficiencies proposed to be addressed in the six-year period giving consideration to relative benefits and life cycle costing. The transportation commission shall give higher priority for correcting identified deficiencies on those facilities classified as facilities of statewide significance as defined in RCW 47.06.140. Project prioritization must be based primarily upon cost-benefit analysis, where appropriate.

The transportation commission shall approve and present the comprehensive six-year investment program to the legislature in support of the biennial budget request under RCW 44.40.070 and 44.40.080.

Sec. 3. RCW 47.05.035 and 1993 c 490 s 4 are each amended to read as follows:

The commission shall develop and use transportation demand modeling tools to evaluate investments based on the best mode or improvement, or mix of modes and improvements, to meet current and future long-term demand within a corridor or system for the lowest cost. The end result of these demand modeling tools is to provide a cost-benefit analysis by which the commission can determine the relative mobility improvement and congestion relief each mode or improvement under consideration will provide and the relative investment each mode or improvement under consideration will need to achieve that relief. In developing program

objectives and performance measures, the transportation commission shall evaluate investment trade-offs between the preservation and improvement programs. In making these investment trade-offs, the commission shall evaluate, using cost-benefit techniques, roadway and bridge maintenance activities as compared to roadway and bridge preservation program activities and adjust those programs accordingly.

The commission shall allocate the estimated revenue between preservation and improvement programs giving primary consideration to the following factors:

(1) The relative needs in each of the programs and the system performance levels that can be achieved by meeting these needs;

(2) The need to provide adequate funding for preservation to protect the state's investment in its existing highway system;

(3) The continuity of future transportation development with those improvements previously programmed; and

(4) The availability of dedicated funds for a specific type of work.

Sec. 4. RCW 47.05.051 and 1998 c 175 s 12 are each amended to read as follows:

The comprehensive six-year investment program shall be based upon the needs identified in the state-owned highway component of the statewide multimodal transportation plan as defined in RCW 47.01.071(3) and priority selection systems that incorporate the following criteria:

(1) Priority programming for the preservation program shall take into account the following, not necessarily in order of importance:

(a) Extending the service life of the existing highway system, including using the most cost-effective pavement surfaces, considering:

(i) Life-cycle cost analysis;

(ii) Traffic volume;

(iii) Subgrade soil conditions;

(iv) Environmental and weather conditions;

(v) Materials available; and

(vi) Construction factors;

(b) Ensuring the structural ability to carry loads imposed upon highways and bridges; and

(c) Minimizing life cycle costs. The transportation commission in carrying out the provisions of this section may delegate to the

department of transportation the authority to select preservation projects to be included in the six-year program.

(2) Priority programming for the improvement program shall take into account the following:

(a) Support for the state's economy, including job creation and job preservation;

(b) The cost-effective movement of people and goods;

(c) Accident and accident risk reduction;

(d) Protection of the state's natural environment;

(e) Continuity and systematic development of the highway transportation network;

(f) Consistency with local comprehensive plans developed under chapter 36.70A RCW;

(g) Consistency with regional transportation plans developed under chapter 47.80 RCW;

(h) Public views concerning proposed improvements;

(i) The conservation of energy resources;

(j) Feasibility of financing the full proposed improvement;

(k) Commitments established in previous legislative sessions;

(l) Relative costs and benefits of candidate programs;

(m) Major projects addressing capacity deficiencies which prioritize allowing for preliminary engineering shall be reprioritized during the succeeding biennium, based upon updated project data. Reprioritized projects may be delayed or canceled by the transportation commission if higher priority projects are awaiting funding; ((~~and~~))

(n) Major project approvals which significantly increase a project's scope or cost from original prioritization estimates shall include a review of the project's estimated revised priority rank and the level of funding provided. Projects may be delayed or canceled by the transportation commission if higher priority projects are awaiting funding<u>; and</u>

<u>(o) Congestion reduction</u>.

(3) The commission may depart from the priority programming established under subsections (1) and (2) of this section: (a) To the extent that otherwise funds cannot be utilized feasibly within the program; (b) as may be required by a court judgment, legally binding agreement, or state and federal laws and regulations; (c) as may be required to coordinate with federal, local, or other state agency construction projects; (d) to take advantage of some substantial

financial benefit that may be available; (e) for continuity of route development; or (f) because of changed financial or physical conditions of an unforeseen or emergent nature. The commission or secretary of transportation shall maintain in its files information sufficient to show the extent to which the commission has departed from the established priority.

(4) The commission shall identify those projects that yield freight mobility benefits or that alleviate the impacts of freight mobility upon affected communities.

Sec. 5. RCW 47.06.130 and 1993 c 446 s 13 are each amended to read as follows:

(1) The department may carry out special transportation planning studies to resolve specific issues with the development of the state transportation system or other statewide transportation issues.

(2) The department shall conduct multimodal corridor analyses on major congested corridors. Analysis will include the cost-effectiveness of all feasible strategies in addressing congestion or improving mobility within the corridor, and must recommend the most effective strategy or mix of strategies to address identified deficiencies. A long-term view of corridors must be employed to determine whether an existing corridor should be expanded, a city or county road should become a state route, and whether a new corridor is needed to alleviate congestion and enhance mobility based on travel demand. To the extent practicable, full costs of all strategies must be reflected in the analysis. At a minimum, this analysis must include:

(a) The current and projected future demand for total person trips on that corridor;

(b) The impact of making no improvements to that corridor;

(c) The daily cost per added person served for each mode or improvement proposed to meet demand;

(d) The cost per hour of travel time saved per day for each mode or improvement proposed to meet demand; and

(e) How much of the current and anticipated future demand will be met and left unmet for each mode or improvement proposed to meet demand.

The end result of this analysis will be to provide a cost-benefit analysis by which policymakers can determine the most cost-effective

improvement or mode, or mix of improvements and modes, for increasing mobility and reducing congestion.

NEW SECTION. **Sec. 6.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001.

--- END ---