

SENATE BILL REPORT

SB 6800

As Reported By Senate Committee On:
Transportation, January 31, 2006

Title: An act relating to streamlining state transportation governance.

Brief Description: Refining the roles of the transportation commission and department of transportation.

Sponsors: Senators Haugen, Jacobsen and Rockefeller; by request of Governor Gregoire.

Brief History:

Committee Activity: Transportation: 1/24/06, 1/31/06 [DPS].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 6800 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Jacobsen, Vice Chair; Poulsen, Vice Chair; Benson, Ranking Minority Member; Benton, Berkey, Eide, Esser, Finkbeiner, Kastama, Mulliken, Oke, Sheldon, Spanel, Swecker and Weinstein.

Staff: Kelly Simpson (786-7403)

Background: During the 2005 legislation session, ESB 5513 was enacted restructuring statewide transportation governance. The Washington State Department of Transportation (WSDOT) was made a cabinet level agency and the Secretary of Transportation was appointed by the Governor, serving at the pleasure of the Governor. The Secretary assumed authority previously directed to the Washington Transportation Commission to propose the WSDOT agency budget and to authorize departmental request legislation.

The Washington Transportation Commission retained certain authority, including statewide transportation planning, bond issuance approval, serving as the state's tolling authority, setting ferry fares, and sharing responsibility for project selection and funding. Additionally, the Commission received an expanded role as a public forum for transportation policy development.

The Transportation Performance Audit Board was granted separate authority to direct performance audits, and its authority regarding directed agency reviews, and functional and performance audits, was expanded to include certain local transportation entities. However, on November 8, 2005, voters approved Initiative 900 requiring the State Auditor to conduct performance audits of state and local governments, including "state and local transportation governmental entities and each of their agencies, accounts, and programs" I-900 dedicates a percentage of the state sales and use tax for this purpose. Additionally, the 2005 transportation revenue bill (ESSB 6103) authorized the State Auditor to conduct performance audits for transportation-related agencies and appropriated \$4 million for this purpose.

Summary of Substitute Bill: The roles and responsibilities of WSDOT and the Washington Transportation Commission are revised.

WSDOT obtains the following responsibilities, in addition to various administrative duties, from the Commission: (1) approving bond issuance; and (2) adopting a functional classification of highways, including the designation of highways of statewide significance.

The Washington Transportation Commission has the following responsibilities (among others):

- Adopting the comprehensive and balanced statewide transportation plan;
- Developing a comprehensive investment program, including programming and prioritization standards;
- Overseeing the Transportation Innovative Partnership Program;
- Conducting performance reviews of transportation-related agencies;
- Conducting public outreach;
- Setting tolls and ferry fares; and
- Recommending to the Governor and the Legislature improvements in certain transportation issue areas.

The composition of the Commission is revised as follows: (1) Commissioners may be removed by the Governor "for cause"; (2) limits on Commissioners' terms of office are removed; (3) the Governor, or his/her designee, is added as a nonvoting member; (4) the specific partisan and geographic membership requirements are revised; (5) the required minimum number of meeting days is revised; and (6) the maximum number of days for reimbursement of expenses is revised.

The Transportation Performance Audit Board is repealed.

Substitute Bill Compared to Original Bill: The following responsibilities were retained by the Washington Transportation Commission: (1) statewide transportation planning, (2) developing a comprehensive investment program, and (3) overseeing the Transportation Innovative Partnership Program.

The Transportation Commission acquired performance review authority, previously held by the Transportation Performance Audit Board. The membership requirements for Commissioners was revised.

The authority in the 2005 transportation revenue bill for the State Auditor to conduct performance audits, and the \$4 million appropriation for that purpose, was retained.

The appropriation from the Multimodal Transportation Account was removed.

Appropriation: None.

Fiscal Note: Available for original bill.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on July 1, 2006.

Testimony For: The bill enacted last year regarding restructuring statewide transportation governance was a good step toward better clarification of the roles and responsibilities of state transportation agencies, and for ensuring greater accountability. However, other changes are needed to continue the effort to streamline statewide transportation governance, particularly to further clarify that WSDOT is a true cabinet level agency like others under current law. The current Budget & Accounting Act has various oversight and accountability provisions applicable to state agencies. Transportation is far ahead of other areas with respect to performance auditing. This bill would establish clearer lines of responsibility. Legislative oversight of transportation agencies needs strengthening. Maintaining authority to conduct performance reviews would be a good step in this direction.

Testimony Against: None.

Testimony Other: The Legislature should decide fundamentally whether it wants an independent citizen oversight board for statewide transportation, i.e., the Commission, or not. If so, the Commission needs to have enough authority and responsibility such that it adds value to the process. The current Commission membership represents diverse backgrounds and interests, and does provide an important service to the state.

Who Testified: PRO: Victor Moore, Governor's Office; Doug Hurley, Transportation Performance Audit Board.

CON: No one.

OTHER: Al King, County Road Administration Board; Dan O'Neal & Dick Ford, Transportation Commission; Duke Schaub, Assoc. of General Contractors (Washington).