
HOUSE BILL 3220

State of Washington 59th Legislature 2006 Regular Session

By Representatives Cox, Haler, Condotta, Jarrett, Kristiansen, Kretz,
Dunn and Woods

Read first time 01/26/2006. Referred to Committee on Transportation.

1 AN ACT Relating to coordination of statewide freight mobility
2 planning and administration; amending RCW 47.06A.020, 47.06A.030,
3 47.76.210, 47.76.220, 47.76.230, 47.76.240, 47.76.250, 47.76.280,
4 47.76.290, 47.76.300, 47.76.310, 47.76.320, and 47.76.350; adding new
5 sections to chapter 47.06A RCW; adding a new section to chapter 47.76
6 RCW; and providing an effective date.

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

8 NEW SECTION. **Sec. 1.** A new section is added to chapter 47.06A RCW
9 to read as follows:

10 (1) The legislature finds that:

11 (a) Washington state is uniquely positioned as a gateway to the
12 global economy. As the most trade-dependent state in the nation, per
13 capita, Washington's economy is highly dependent on a freight mobility
14 network that efficiently moves goods. Agricultural products compose a
15 significant portion of the goods moved over the state's freight
16 mobility network.

17 (b) The agricultural industry is a vital state economic interest.
18 Once food and agricultural products have been processed, packaged, and

1 shipped, the overall economic impact is estimated at thirteen percent
2 of the state's total economy.

3 (c) A coordinated and comprehensive state policy on freight
4 mobility is needed to facilitate freight movement to local, national,
5 and international markets. Currently, the administration of freight
6 mobility is conducted under two separate state entities: The
7 department of transportation and the freight mobility strategic
8 investment board.

9 (2) In order to provide a more coordinated and comprehensive state
10 policy on freight mobility and increase coordination with the
11 agricultural industry, it is the intent of the legislature that
12 statewide freight mobility planning and administration be combined into
13 one entity, the freight mobility strategic investment board, and that
14 the membership of the freight mobility strategic investment board
15 include the director of the department of agriculture or his or her
16 designee.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.06A RCW
18 to read as follows:

19 (1) All powers, duties, and functions of the department pertaining
20 to freight rail mobility as described in this act are transferred to
21 the board. The department's rail engineering and environmental
22 services functions shall remain within the department.

23 (2)(a) All reports, documents, surveys, books, records, files,
24 papers, or written material in the possession of the department
25 pertaining to the powers, functions, and duties transferred shall be
26 delivered to the custody of the board. All cabinets, furniture, office
27 equipment, motor vehicles, and other tangible property employed by the
28 department in carrying out the powers, functions, and duties
29 transferred shall be made available to the board. All funds, credits,
30 or other assets held in connection with the powers, functions, and
31 duties transferred shall be assigned to the board.

32 (b) Any appropriations made to the department for carrying out the
33 powers, functions, and duties transferred shall, on the effective date
34 of this section, be transferred and credited to the board.

35 (c) Whenever any question arises as to the transfer of any
36 personnel, funds, books, documents, records, papers, files, equipment,
37 or other tangible property used or held in the exercise of the powers

1 and the performance of the duties and functions transferred, the
2 director of financial management shall both make a determination as to
3 the proper allocation and certify the same to the state agencies
4 concerned.

5 (3) All employees of the department engaged in performing the
6 powers, functions, and duties transferred are transferred to the
7 jurisdiction of the board. All employees classified under chapter
8 41.06 RCW are assigned to the board to perform their usual duties upon
9 the same terms as formerly, without any loss of rights, subject to any
10 action that may be appropriate thereafter in accordance with the laws
11 and rules governing state civil service.

12 (4) All rules and all pending business before the department
13 pertaining to the powers, functions, and duties transferred shall be
14 continued and acted upon by the board. All existing contracts and
15 obligations shall remain in full force and shall be performed by the
16 board.

17 (5) The transfer of the powers, duties, functions, and personnel of
18 the department shall not affect the validity of any act performed
19 before the effective date of this section.

20 (6) If apportionments of budgeted funds are required because of the
21 transfers directed by this section, the director of financial
22 management shall certify the apportionments to the agencies affected,
23 the state auditor, and the state treasurer. Each of these entities
24 shall make the appropriate transfer and adjustments in funds and
25 appropriation accounts and equipment records in accordance with the
26 certification.

27 (7) Nothing contained in this section may be construed to alter any
28 existing collective bargaining unit or the provisions of any existing
29 collective bargaining agreement until the agreement has expired or
30 until the bargaining unit has been modified by action of the personnel
31 resources board as provided by law.

32 **Sec. 3.** RCW 47.06A.020 and 2005 c 319 s 125 are each amended to
33 read as follows:

34 (1) The board shall:

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

1 (b) Administer the freight mobility plan designated under RCW
2 47.06.045 and the freight rail plan designated under RCW 47.06.080;

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

6 ~~(e))~~ (d) Review and evaluate project applications based on
7 strategic freight criteria (~~established under this section~~), and
8 prioritize and select projects comprising a portfolio to be funded in
9 part with grants from state funds appropriated for the freight mobility
10 strategic investment program. In determining the appropriate level of
11 state funding for a project, the board shall ensure that state funds
12 are allocated to leverage the greatest amount of partnership funding
13 possible. After selecting projects comprising the portfolio, the board
14 shall submit them as part of its budget request to the office of
15 financial management and the legislature. The board shall ensure that
16 projects submitted as part of the portfolio are not more appropriately
17 funded with other federal, state, or local government funding
18 mechanisms or programs. The board shall reject those projects that
19 appear to improve overall general mobility with limited enhancement for
20 freight mobility; and

21 (e) Develop criteria and administer a program investing in freight
22 rail and other nonstrategic freight initiatives that carry out the goal
23 of improving statewide freight mobility.

24 The board shall provide periodic progress reports on its activities
25 to the office of financial management and the senate and house
26 transportation committees.

27 (2) The board may:

28 (a) Accept from any state or federal agency, loans or grants for
29 the financing of any transportation project and enter into agreements
30 with any such agency concerning the loans or grants;

31 (b) Provide technical assistance to project applicants;

32 (c) Accept any gifts, grants, or loans of funds, property, or
33 financial, or other aid in any form from any other source on any terms
34 and conditions which are not in conflict with this chapter;

35 (d) Adopt rules under chapter 34.05 RCW as necessary to carry out
36 the purposes of this chapter; and

37 (e) Do all things necessary or convenient to carry out the powers
38 expressly granted or implied under this chapter.

1 (3) The board shall designate strategic freight corridors within
2 the state. The board shall update the list of designated strategic
3 corridors not less than every two years, and shall establish a method
4 of collecting and verifying data, including information on city and
5 county-owned roadways.

6 (4) The board shall utilize threshold project eligibility criteria
7 for the strategic corridor program that, at a minimum, includes the
8 following:

9 (a) The project must be on a strategic freight corridor;

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

11 (i) It is primarily aimed at reducing identified barriers to
12 freight movement with only incidental benefits to general or personal
13 mobility; or

14 (ii) It is primarily aimed at increasing capacity for the movement
15 of freight with only incidental benefits to general or personal
16 mobility; or

17 (iii) It is primarily aimed at mitigating the impact on communities
18 of increasing freight movement, including roadway/railway conflicts;
19 and

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

22 These criteria do not apply to the program described in subsection
23 (1)(e) of this section.

24 (5) From June 11, 1998, through the biennium ending June 30, 2001,
25 the board shall use the multicriteria analysis and scoring framework
26 for evaluating and ranking eligible freight mobility and freight
27 mitigation projects developed by the freight mobility project
28 prioritization committee and contained in the January 16, 1998, report
29 entitled "Project Eligibility, Priority and Selection Process for a
30 Strategic Freight Investment Program." The prioritization process
31 shall measure the degree to which projects address important program
32 objectives and shall generate a project score that reflects a project's
33 priority compared to other projects. The board shall assign scoring
34 points to each criterion that indicate the relative importance of the
35 criterion in the overall determination of project priority. After June
36 30, 2001, the board may supplement and refine the initial project
37 priority criteria and scoring framework developed by the freight

1 mobility project prioritization committee as expertise and experience
2 is gained in administering the freight mobility program.

3 (6) It is the intent of the legislature that each freight mobility
4 project contained in the project portfolio submitted by the board
5 utilize the greatest amount of nonstate funding possible. The board
6 shall adopt rules that give preference to projects that contain the
7 greatest levels of financial participation from nonprogram fund
8 sources. The board shall consider twenty percent as the minimum
9 partnership contribution, but shall also ensure that there are
10 provisions allowing exceptions for projects that are located in areas
11 where minimal local funding capacity exists or where the magnitude of
12 the project makes the adopted partnership contribution financially
13 unfeasible.

14 (7) The board shall develop and recommend policies that address
15 operational improvements that primarily benefit and enhance freight
16 movement, including, but not limited to, policies that reduce
17 congestion in truck lanes at border crossings and weigh stations and
18 provide for access to ports during nonpeak hours.

19 (8) The board shall develop project selection criteria and policies
20 to carry out the state's freight rail mobility program.

21 **Sec. 4.** RCW 47.06A.030 and 1999 c 216 s 2 are each amended to read
22 as follows:

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

25 (2) The board is composed of (~~twelve~~) thirteen members. The
26 following members are appointed by the governor for terms of four
27 years, except that five members initially are appointed for terms of
28 two years: (a) Two members, one of whom is from a city located within
29 or along a strategic freight corridor, appointed from a list of at
30 least four persons nominated by the association of Washington cities or
31 its successor; (b) two members, one of whom is from a county having a
32 strategic freight corridor within its boundaries, appointed from a list
33 of at least four persons nominated by the Washington state association
34 of counties or its successor; (c) two members, one of whom is from a
35 port district located within or along a strategic freight corridor,
36 appointed from a list of at least four persons nominated by the
37 Washington public ports association or its successor; (d) one member

1 representing the office of financial management; (e) one member
2 appointed as a representative of the trucking industry; (f) one member
3 appointed as a representative of the railroads; (g) the secretary of
4 the department of transportation or his or her designee; (h) one member
5 representing the steamship industry; ~~((and))~~ (i) one member of the
6 general public; and (j) the director of the department of agriculture
7 or his or her designee. In appointing the general public member, the
8 governor shall endeavor to appoint a member with special expertise in
9 relevant fields such as public finance, freight transportation, or
10 public works construction. The governor shall appoint the general
11 public member as chair of the board. In making appointments to the
12 board, the governor shall ensure that each geographic region of the
13 state is represented.

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

16 (4) If a vacancy on the board occurs by death, resignation, or
17 otherwise, the governor shall fill the vacant position for the
18 unexpired term. Each vacancy in a position appointed from lists
19 provided by the associations and departments under subsection (2) of
20 this section must be filled from a list of at least four persons
21 nominated by the relevant association or associations.

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

24 NEW SECTION. **Sec. 5.** A new section is added to chapter 47.76 RCW
25 to read as follows:

26 The definitions in this section apply throughout this chapter
27 unless the context clearly requires otherwise.

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

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

31 **Sec. 6.** RCW 47.76.210 and 1995 c 380 s 2 are each amended to read
32 as follows:

33 The ~~((Washington state department of transportation))~~ board shall
34 implement a state freight rail program that supports the freight rail
35 service objectives identified in the state's multimodal transportation
36 plan required under chapter 47.06 RCW. The support may be in the form

1 of projects and strategies that support branch lines and light-density
2 lines, provide access to ports, maintain adequate mainline capacity,
3 and preserve or restore rail corridors and infrastructure.

4 **Sec. 7.** RCW 47.76.220 and 1995 c 380 s 3 are each amended to read
5 as follows:

6 (1) The (~~department of transportation~~) board shall prepare and
7 periodically update a state freight rail plan, the objective of which
8 is to identify, evaluate, and encourage essential rail services. The
9 plan shall:

10 (a) Identify and evaluate mainline capacity issues;

11 (b) Identify and evaluate port-to-rail access and congestion
12 issues;

13 (c) Identify and evaluate those rail freight lines that may be
14 abandoned or have recently been abandoned;

15 (d) Quantify the costs and benefits of maintaining rail service on
16 those lines that are likely to be abandoned;

17 (e) Establish priorities for determining which rail lines should
18 receive state support. The priorities should include the anticipated
19 benefits to the state and local economy, the anticipated cost of road
20 and highway improvements necessitated by the abandonment or capacity
21 constraints of the rail line, the likelihood the rail line receiving
22 funding can meet operating costs from freight charges, surcharges on
23 rail traffic, and other funds authorized to be raised by a county or
24 port district, and the impact of abandonment or capacity constraints on
25 changes in energy utilization and air pollution;

26 (f) Identify and describe the state's rail system;

27 (g) Prepare a state freight rail system map;

28 (h) Identify and evaluate rail commodity flows and traffic types;

29 (i) Identify lines and corridors that have been rail banked or
30 preserved; and

31 (j) Identify and evaluate other issues affecting the state's rail
32 traffic.

33 (2) The state rail plan may be prepared in conjunction with the
34 rail plan prepared by the (~~department~~) board pursuant to the federal
35 Railroad Revitalization and Regulatory Reform Act.

1 **Sec. 8.** RCW 47.76.230 and 1995 c 380 s 4 are each amended to read
2 as follows:

3 (1) The (~~department of transportation~~) board shall (~~continue its~~
4 ~~responsibility~~) be responsible for the development and implementation
5 of the state rail plan and programs, and the utilities and
6 transportation commission shall continue its responsibility for
7 intrastate rates, service, and safety issues.

8 (2) The (~~department of transportation~~) board shall maintain an
9 enhanced data file on the rail system. Proprietary annual station
10 traffic data from each railroad and the modal use of major shippers
11 shall be obtained to the extent that such information is available.

12 (3) The (~~department of transportation~~) board shall provide
13 technical assistance, upon request, to state agencies and local
14 interests. Technical assistance includes, but is not limited to, the
15 following:

16 (a) Rail project cost-benefit analyses conducted in accordance with
17 methodologies recommended by the Federal Railroad Administration;

18 (b) Assistance in the formation of county rail districts and port
19 districts; and

20 (c) Feasibility studies for rail service continuation and/or rail
21 service assistance.

22 (4) With funding authorized by the legislature, the (~~department of~~
23 ~~transportation~~) board, in collaboration with the department of
24 community, trade, and economic development, and local economic
25 development agencies, and other interested public and private
26 organizations, shall develop a cooperative process to conduct community
27 and business information programs and to regularly disseminate
28 information on rail matters.

29 **Sec. 9.** RCW 47.76.240 and 1995 c 380 s 5 are each amended to read
30 as follows:

31 The state, counties, local communities, ports, railroads, labor,
32 and shippers all benefit from continuation of rail service and should
33 participate in its preservation. Lines that provide benefits to the
34 state and local jurisdictions, such as avoided roadway costs, reduced
35 traffic congestion, economic development potential, environmental
36 protection, and safety, should be assisted through the joint efforts of
37 the state, local jurisdictions, and the private sector.

1 State funding for rail service, rail preservation, and corridor
2 preservation projects must benefit the state's interests. The state's
3 interest is served by reducing public roadway maintenance and repair
4 costs, increasing economic development opportunities, increasing
5 domestic and international trade, preserving jobs, and enhancing
6 safety. State funding for projects is contingent upon appropriate
7 local jurisdiction and private sector participation and cooperation.
8 Before spending state moneys on projects the ((department)) board shall
9 seek federal, local, and private funding and participation to the
10 greatest extent possible.

11 (1) The ((department of transportation)) board shall ((continue
12 to)) monitor the status of the state's mainline and branchline common
13 carrier railroads and preserved rail corridors through the state rail
14 plan and various analyses, and shall seek alternatives to abandonment
15 prior to interstate commerce commission proceedings, where feasible.

16 (2) The utilities and transportation commission shall intervene in
17 interstate commerce commission proceedings on abandonments, when
18 necessary, to protect the state's interest.

19 (3) The ((department of transportation)) board, in consultation
20 with the Washington state freight rail policy advisory committee, shall
21 establish criteria for evaluating rail projects and corridors of
22 significance to the state.

23 (4) Local jurisdictions may implement rail service preservation
24 projects in the absence of state participation.

25 (5) The ((department of transportation)) board shall ((continue
26 to)) monitor projects for which it provides assistance.

27 **Sec. 10.** RCW 47.76.250 and 1996 c 73 s 2 are each amended to read
28 as follows:

29 (1) The essential rail assistance account is created in the state
30 treasury. Moneys in the account may be appropriated only for the
31 purposes specified in this section.

32 (2) Moneys appropriated from the account to the ((department of
33 transportation)) board may be used by the ((department)) board or
34 distributed by the ((department)) board to cities, county rail
35 districts, counties, economic development councils, and port districts
36 for the purpose of:

37 (a) Acquiring, rebuilding, rehabilitating, or improving rail lines;

1 (b) Purchasing or rehabilitating railroad equipment necessary to
2 maintain essential rail service;

3 (c) Constructing railroad improvements to mitigate port access or
4 mainline congestion;

5 (d) Construction of loading facilities to increase business on
6 light density lines or to mitigate the impacts of abandonment;

7 (e) Preservation, including operation, of light density lines, as
8 identified by the (~~Washington state department of transportation~~)
9 board, in compliance with this chapter; or

10 (f) Preserving rail corridors for future rail purposes by purchase
11 of rights of way. The (~~department~~) board shall first pursue
12 transportation enhancement program funds, available under the federal
13 surface transportation program, to the greatest extent practicable to
14 preserve rail corridors. Purchase of rights of way may include track,
15 bridges, and associated elements, and must meet the following criteria:

16 (i) The right of way has been identified and evaluated in the state
17 rail plan prepared under this chapter;

18 (ii) The right of way may be or has been abandoned; and

19 (iii) The right of way has potential for future rail service.

20 (3) The (~~department~~) board or the participating local
21 jurisdiction is responsible for maintaining any right of way acquired
22 under this chapter, using the department's freight rail capital
23 program, including provisions for drainage management, fire and weed
24 control, and liability associated with ownership.

25 (4) Nothing in this section impairs the reversionary rights of
26 abutting landowners, if any, without just compensation.

27 (5) The (~~department~~) board, cities, county rail districts,
28 counties, and port districts may grant franchises to private railroads
29 for the right to operate on lines acquired under this chapter.

30 (6) The (~~department~~) board, cities, county rail districts,
31 counties, and port districts may grant trackage rights over rail lines
32 acquired under this chapter.

33 (7) If rail lines or rail rights of way are used by county rail
34 districts, port districts, state agencies, or other public agencies for
35 the purposes of rail operations and are later abandoned, the rail lines
36 or rail rights of way cannot be used for any other purposes without the
37 consent of the underlying fee title holder or reversionary rights

1 holder, or until compensation has been made to the underlying fee title
2 holder or reversionary rights holder.

3 (8) The (~~department of transportation~~) board shall develop
4 criteria for prioritizing freight rail projects that meet the minimum
5 eligibility requirements for state assistance under RCW 47.76.240. The
6 (~~department~~) board shall develop criteria in consultation with the
7 Washington state freight rail policy advisory committee. Project
8 criteria should consider the level of local financial commitment to the
9 project as well as cost/benefit ratio. Counties, local communities,
10 railroads, shippers, and others who benefit from the project should
11 participate financially to the greatest extent practicable.

12 (9) Moneys received by the (~~department~~) board from franchise
13 fees, trackage rights fees, and loan payments shall be redeposited in
14 the essential rail assistance account. Repayment of loans made under
15 this section shall occur within a period not longer than fifteen years,
16 as set by the (~~department~~) board. The repayment schedule and rate of
17 interest, if any, shall be determined before the distribution of the
18 moneys.

19 (10) The state shall maintain a contingent interest in any
20 equipment, property, rail line, or facility that has outstanding grants
21 or loans. The owner may not use the line as collateral, remove track,
22 bridges, or associated elements for salvage, or use it in any other
23 manner subordinating the state's interest without permission from the
24 (~~department~~) board.

25 (11) Moneys distributed under this chapter should be provided as
26 loans wherever practicable. Except as provided by section 3, chapter
27 73, Laws of 1996, for improvements on or to privately owned railroads,
28 railroad property, or other private property, moneys distributed shall
29 be provided solely as loans.

30 **Sec. 11.** RCW 47.76.280 and 1995 c 380 s 8 are each amended to read
31 as follows:

32 The (~~department~~) board may sell or lease property acquired under
33 this chapter to a county rail district established under chapter 36.60
34 RCW, a county, a port district, or any other public or private entity
35 authorized to operate rail service. Any public or private entity that
36 originally donated funds to the (~~department~~) board under this chapter
37 shall receive credit against the purchase price for the amount donated

1 to the ((department)) board, less management costs, in the event such
2 public or private entity purchases the property from the ((department))
3 board.

4 If no county rail district, county, port district, or other public
5 or private entity authorized to operate rail service purchases or
6 leases the property within six years after its acquisition by the
7 ((department)) board, the ((department)) board may sell or lease such
8 property in the manner provided in RCW 47.76.290. Failing this, the
9 ((department)) board may sell or convey all such property in the manner
10 provided in RCW 47.76.300 or 47.76.320.

11 **Sec. 12.** RCW 47.76.290 and 1993 c 224 s 8 are each amended to read
12 as follows:

13 (1) If real property acquired by the ((department)) board under
14 this chapter is not sold to a public or private entity authorized to
15 operate rail service within six years of its acquisition by the
16 ((department)) board, the ((department)) board may sell or lease the
17 property at fair market value to any of the following governmental
18 entities or persons:

- 19 (a) Any other state agency;
- 20 (b) The city or county in which the property is situated;
- 21 (c) Any other municipal corporation;
- 22 (d) The former owner, heir, or successor of the property from whom
23 the property was acquired;
- 24 (e) Any abutting private owner or owners.

25 (2) Notice of intention to sell under this section shall be given
26 by publication in one or more newspapers of general circulation in the
27 area in which the property is situated not less than thirty days prior
28 to the intended date of sale.

29 (3) Sales to purchasers may, at the ((department's)) board's
30 option, be for cash or by real estate contract.

31 (4) Conveyances made under this section shall be by deed executed
32 by the ((secretary of transportation)) board and shall be duly
33 acknowledged.

34 (5) All moneys received under this section shall be deposited in
35 the essential rail banking account of the general fund.

1 **Sec. 13.** RCW 47.76.300 and 1993 c 224 s 9 are each amended to read
2 as follows:

3 If real property acquired by the ((~~department~~)) board under this
4 chapter is not sold to a public or private entity authorized to operate
5 rail service within six years of its acquisition by the ((~~department~~))
6 board, the ((~~department~~)) board may transfer and convey the property to
7 the United States, its agencies or instrumentalities, to any other
8 state agency, or to any county or city or port district of this state
9 when, in the judgment of the ((~~secretary~~)) board, the transfer and
10 conveyance is consistent with the public interest. Whenever the
11 ((~~secretary~~)) board makes an agreement for any such transfer or
12 conveyance, the ((~~secretary~~)) board shall execute and deliver to the
13 grantee a deed of conveyance, easement, or other instrument, duly
14 acknowledged, as necessary to fulfill the terms of the agreement. All
15 moneys paid to the state of Washington under this section shall be
16 deposited in the essential rail banking account of the general fund.

17 **Sec. 14.** RCW 47.76.310 and 1993 c 224 s 10 are each amended to
18 read as follows:

19 The ((~~department~~)) board is authorized subject to the provisions
20 and requirements of zoning ordinances of political subdivisions of
21 government, to rent or lease any lands acquired under this chapter,
22 upon such terms and conditions as the ((~~department~~)) board determines.

23 **Sec. 15.** RCW 47.76.320 and 1993 c 224 s 11 are each amended to
24 read as follows:

25 (1) If real property acquired by the ((~~department~~)) board under
26 this chapter is not sold, conveyed, or leased to a public or private
27 entity within six years of its acquisition by the ((~~department~~)) board,
28 the ((~~department~~)) board may, in its discretion, sell the property at
29 public auction in accordance with subsections (2) through (5) of this
30 section.

31 (2) The ((~~department~~)) board shall first give notice of the sale by
32 publication on the same day of the week for two consecutive weeks, with
33 the first publication at least two weeks before the date of the
34 auction, in a legal newspaper of general circulation in the area where
35 the property to be sold is located. The notice shall be placed in both
36 the legal notices section and the real estate classified section of the

1 newspaper. The notice shall contain a description of the property, the
2 time and place of the auction, and the terms of the sale. The sale may
3 be for cash or by real estate contract.

4 (3) In accordance with the terms set forth in the notice, the
5 ((~~department~~)) board shall sell the property at the public auction to
6 the highest and best bidder if the bid is equal to or higher than the
7 appraised fair market value of the property.

8 (4) If no bids are received at the auction or if all bids are
9 rejected, the ((~~department~~)) board may, in its discretion, enter into
10 negotiations for the sale of the property or may list the property with
11 a licensed real estate broker. No property may be sold by negotiations
12 or through a broker for less than the property's appraised fair market
13 value. Any offer to purchase real property under this subsection shall
14 be in writing and may be rejected at any time before written acceptance
15 by the ((~~department~~)) board.

16 (5) Conveyances made under this section shall be by deed executed
17 by the ((~~secretary of transportation~~)) board and shall be duly
18 acknowledged.

19 (6) All moneys received under this section shall be deposited in
20 the essential rail banking account of the general fund.

21 **Sec. 16.** RCW 47.76.350 and 1990 c 43 s 10 are each amended to read
22 as follows:

23 The ((~~department of transportation~~)) board shall ((~~continue to~~))
24 monitor federal rail policies and congressional action and communicate
25 to Washington's congressional delegation and federal transportation
26 agencies the need for a balanced transportation system and associated
27 funding.

28 NEW SECTION. **Sec. 17.** This act takes effect January 1, 2007.

--- END ---