

HOUSE BILL REPORT

HB 1512

As Reported by House Committee On:
Transportation

Title: An act relating to funding rail freight service through grants.

Brief Description: Authorizing the funding of rail freight service through grants.

Sponsors: Representatives Haler, Roach and Klippert.

Brief History:

Committee Activity:

Transportation: 2/4/09, 2/5/09 [DPS].

Brief Summary of Substitute Bill

- Allows the Department of Transportation to provide Emergent Freight Rail Assistance grants to privately-owned railroads or for improvements on privately-owned railroads.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 26 members: Representatives Clibborn, Chair; Liias, Vice Chair; Roach, Ranking Minority Member; Rodne, Assistant Ranking Minority Member; Armstrong, Campbell, Cox, Driscoll, Eddy, Ericksen, Finn, Flannigan, Johnson, Klippert, Kristiansen, Moeller, Morris, Sells, Shea, Simpson, Springer, Takko, Upthegrove, Wallace, Williams and Wood.

Staff: Teresa Berntsen (786-7301)

Background:

The Department of Transportation (DOT) administers a rail grant program referred to as the Emergent Freight Rail Assistance program. The DOT periodically issues a call for projects and analyzes grant applications. The 2008 state Transportation Budget requires the DOT to use a cost-benefit analysis to evaluate project applications in order to assess public benefit.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The DOT's Emergent Freight Rail Assistance program is funded through the Essential Rail Assistance Account. State law stipulates that grants from the Essential Rail Assistance Account provided to privately-owned railroads or for improvements on privately-owned railroads must be given in the form of loans. The Washington Constitution, Article 8, Section 5 prohibits the lending of state credit.

Summary of Substitute Bill:

The DOT is allowed to provide grants from the Essential Rail Assistance Account to privately-owned railroads or for improvements on privately-owned railroads, so long as the grants include contractual consideration.

Substitute Bill Compared to Original Bill:

Technical changes are made to language referencing grants to privately-owned railroads or for improvements on privately-owned railroads.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Solving local transportation issues sometimes involves making improvements to private property that benefit the public. This bill will provide a tool for cities and counties across the state to address transportation issues that will help economic development.

(Opposed) None.

Persons Testifying: Representative Haler, prime sponsor; Pete Rogalsky, City of Richland; and Carol Moser.

Persons Signed In To Testify But Not Testifying: None.