

# SENATE BILL REPORT

## SB 6350

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As Passed Senate, February 10, 2012

**Title:** An act relating to repealing the transportation innovative partnerships act.

**Brief Description:** Repealing the transportation innovative partnerships act.

**Sponsors:** Senators Haugen, King, Eide, Fain and Tom.

**Brief History:**

**Committee Activity:** Transportation: 2/01/12, 2/02/12 [DP].

Passed Senate: 2/10/12, 46-0.

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### SENATE COMMITTEE ON TRANSPORTATION

**Majority Report:** Do pass.

Signed by Senators Haugen, Chair; Eide, Vice Chair; King, Ranking Minority Member; Fain, Assistant Ranking Minority Member; Delvin, Frockt, Hill, Hobbs, Litzow, Ranker, Rolfes, Sheldon, Shin and Swecker.

**Staff:** Kim Johnson (786-7472)

**Background:** In 2005 legislation was enacted establishing a statutory process for securing public-private partnership financing of certain transportation projects (referred to as the Transportation Innovative Partnerships Act). The intent, as stated in the legislation, was to provide a more desirable and effective approach to developing transportation projects in partnership with the private sector by applying lessons learned from other states and from this state's ten-year experience with chapter 47.46 RCW (referring to the state's previously enacted public-private partnership program). The public-private partnership process, established in 2005, contains various requirements applicable to both toll and nontoll transportation projects, including detailed evaluation and selection criteria, state-issued debt requirements, and requirements for expert review panels and advisory committees.

The 2005 process generally required the Transportation Commission to (1) approve or review public-private partnership contracts, (2) adopt rules to govern the program, (3) adopt guidelines to address security and performance issues, and (4) select potential public-private partnership projects. The Washington State Department of Transportation (WSDOT) was generally required to evaluate potential projects under the Commission's direction.

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*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.*

In 2011 the Legislature directed the Joint Transportation Committee (JTC) to conduct a study to evaluate the role public-private partnerships could potentially play in financing state transportation projects with a focus on how best to protect the public interest. The final JTC report was published January 25, 2012. The study made several recommendations regarding the statutory framework governing public-private partnerships, including the repeal of the existing statutes.

**Summary of Bill:** The Legislature finds that the Transportation Innovative Partnerships Act has not met the needs and expectations of the public and private sectors for the development of transportation projects. It is the intent of the Legislature to continue to search for ways to bring innovative methods of transportation project delivery and finance to Washington.

The Transportation Innovative Partnership Act is repealed.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: WSDOT strongly supports this bill. The 2005 act has not functioned as anyone had hoped and we would love to work with you to come up with something that will work. In the mean time we support the JTC study's recommendation of repealing the existing statutes. The repeal of these statutes does not affect our ability to work on or complete any of the projects that we currently have underway.

**Persons Testifying:** PRO: Jeff Doyle, Director of the Transportation Partnerships Office of WSDOT