
Transportation Committee

HB 1957

Brief Description: Concerning department of transportation project delivery.

Sponsors: Representatives Clibborn, Lias, Moscoso and Fey.

Brief Summary of Bill

- Requires the Washington State Department of Transportation (WSDOT) to seek approval for specific project changes and specifies the process for how project changes are approved.
- Sets baselines for staffing levels in the highway construction program and for the ferry vessel terminal construction program.
- Requires the WSDOT to submit a report to the Governor and Transportation Committees of the Legislature on the progress made towards delivery of all projects and activities subject to the bill.

Hearing Date: 3/18/13

Staff: Alyssa Ball (786-7140).

Background:

The Transportation 2003 (Nickel) Act was passed in 2003, increasing the fuel tax rate by 5 cents. A bond bill was also enacted, supporting a \$4.2 billion program of projects over the course of 10 years and underwritten by Nickel Act revenues. In 2005 the Legislature enacted the Transportation Partnership Act (TPA) providing an increase in the motor vehicle fuel tax rate of 9.5 cents, phased in over several years. Like the Nickel package, the TPA was enacted along with a bond bill that allowed for the early spending of \$8.5 billion in capital projects over 16 years. For both the Nickel and TPA packages, the funds were appropriated by project, by amount, and by fund type.

Section 603 of Engrossed Substitute House Bill 2190 (2012) was put in place to allow the Washington State Department of Transportation (WSDOT) a limited amount of flexibility to

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assist in the delivery and completion of all Nickel and TPA projects. Section 603 allows the Director of the Office of Financial Management (OFM) to authorize a transfer of appropriation authority between projects funded by either the Nickel or TPA accounts. The WSDOT may make transfers between projects without the OFM approval if the transfer does not exceed \$250,000 or 10 percent of the total project, whichever is less.

Summary of Bill:

This bill updates the 603 process and allows the WSDOT flexibility to deliver projects in an efficient and expeditious manner. Under this bill, the WSDOT must submit a report each quarter that outlines any project changes and these changes must be approved before the project can proceed. If the Legislature is in session, the report must be submitted to the Legislature; otherwise, the report is submitted to the OFM and the OFM must consult with the Joint Transportation Committee before approving the changes. The following project changes are subject to the approval process outlined in the bill if: (1) the most recent engineer's estimate differs from the previous one by 10 percent or \$250,000 (whichever is greater); (2) there is a material change to the scope of a project; and (3) there is a change to the capital delivery plan schedule.

It is the intention of the Legislature that the WSDOT develop a management approach that minimizes the need for additional permanent engineering or other professional staff in any of the capital construction programs. The bill specifies the following baselines for staffing levels: (1) for the highway construction program, the level is based on the Secretary's business plan for the end of fiscal year 2015; and (2) for the ferry vessel and terminal construction program, the level is the positions at the end of fiscal year 2012.

Beginning January 1, 2015, the WSDOT is required to submit a report to the Governor and Transportation Committees on the progress made toward the delivery of all projects and activities subject to this bill. The Secretary is required to certify the completion of the project package subject to this bill. This section will expire January 30, 2023, or the date the Secretary certifies completion, whichever is later.

Appropriation: None.

Fiscal Note: Available.

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