

SHB 1299 - H AMD 383

By Representative Manweller

ADOPTED 04/09/2015

1 On page 41, line 20, increase the essential rail assistance
2 account--state appropriation by \$10,000,000

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4 On page 41, line 29, correct the total.

5
6 On page 42, after line 25, insert the following:

7 "(5)(a) \$10,000,000 of the essential rail assistance account--
8 state appropriation is provided solely for the maintenance and
9 improvement of state-owned railroads and emergent freight rail
10 assistance projects. A minimum of fifty percent of the appropriation
11 must be used for the maintenance and improvement of state-owned
12 railroads.

13 (b) This appropriation must be held in unallotted status and an
14 amount equal to the transfer by the state treasurer from the
15 multimodal transportation account into this account may only be
16 allotted once the office of financial management determines that such
17 funds are available."

18
19 On page 76, after line 7, insert the following:

20 "**Sec. 712.** RCW 47.76.250 and 2009 c 160 s 1 are each amended to
21 read as follows:

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

25 (2) Moneys appropriated from the account to the department of
26 transportation may be used by the department or distributed by the
27 department to cities, county rail districts, counties, economic

1 development councils, port districts, and privately or publicly
2 owned railroads for the purpose of:

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

5 (b) Purchasing or rehabilitating railroad equipment necessary to
6 maintain essential rail service;

7 (c) Constructing railroad improvements to mitigate port access
8 or mainline congestion;

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

11 (e) Preservation, including operation, of light density lines,
12 as identified by the Washington state department of transportation,
13 in compliance with this chapter; or

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

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

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

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

25 (3) The department or the participating local jurisdiction is
26 responsible for maintaining any right-of-way acquired under this
27 chapter, including provisions for drainage management, fire and weed
28 control, and liability associated with ownership.

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

31 (5) The department, cities, county rail districts, counties, and
32 port districts may grant franchises to private railroads for the
33 right to operate on lines acquired under this chapter.

34

1 (6) The department, cities, county rail districts, counties, and
2 port districts may grant trackage rights over rail lines acquired
3 under this chapter.

4 (7) If rail lines or rail rights-of-way are used by county rail
5 districts, port districts, state agencies, or other public agencies
6 for the purposes of rail operations and are later abandoned, the
7 rail lines or rail rights-of-way cannot be used for any other
8 purposes without the consent of the underlying fee title holder or
9 reversionary rights holder, or until compensation has been made to
10 the underlying fee title holder or reversionary rights holder.

11 (8) The department of transportation shall develop criteria for
12 prioritizing freight rail projects that meet the minimum eligibility
13 requirements for state assistance under RCW 47.76.240. The
14 department shall develop criteria in consultation with the
15 Washington state freight rail policy advisory committee. Project
16 criteria should consider the level of local financial commitment to
17 the project as well as cost/benefit ratio. Counties, local
18 communities, railroads, shippers, and others who benefit from the
19 project should participate financially to the greatest extent
20 practicable.

21 (9) Moneys received by the department from franchise fees,
22 trackage rights fees, and loan payments shall be redeposited in the
23 essential rail assistance account. Repayment of loans made under
24 this section shall occur within a period not longer than fifteen
25 years, as set by the department. The repayment schedule and rate of
26 interest, if any, shall be determined before the distribution of the
27 moneys.

28 (10) The state shall maintain a contingent interest in any
29 equipment, property, rail line, or facility that has outstanding
30 grants or loans. The owner may not use the line as collateral,
31 remove track, bridges, or associated elements for salvage, or use it
32 in any other manner subordinating the state's interest without
33 permission from the department.

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1 (11) Moneys may be granted for improvements to privately owned
2 railroads, railroad property, or other private property under this
3 chapter for freight rail projects that meet the minimum eligibility
4 criteria for state assistance under RCW 47.76.240, and which are
5 supported by contractual consideration. At a minimum, such
6 contractual consideration shall consist of defined benefits to the
7 public with a value equal to or greater than the grant amount, and
8 where the grant recipient provides the state a contingent interest
9 adequate to ensure that such public benefits are realized.

10 (12)(a) During the 2013-15 and 2015-17 fiscal biennia, by the
11 last day of each biennium, the state treasurer shall transfer from
12 the multimodal transportation account to the essential rail
13 assistance account such amounts as reflect the excess fund balance
14 of the multimodal transportation account not to exceed ten million
15 dollars.

16 (b) A minimum of fifty percent of the moneys deposited in the
17 account pursuant to (a) of this subsection must be expended by the
18 department for the maintenance and improvement of state-owned
19 railroads."

20

21 Correct the title.

EFFECT: Transfers up to \$10,000,000 from the Multimodal
Transportation Account at the end of the 2013-15 and 2015-17 biennia
into the Essential Rail Assistance Account. Appropriates
\$10,000,000 from the Essential Rail Assistance Account for the
maintenance and improvement of state-owned railroads and emergent
freight rail assistance projects, with at least fifty percent of the
funds for the maintenance and improvement of state-owned railroads.
Holds the appropriation in unallotted status until the Office of
Financial Management determines funds from the transfer are
available.

FISCAL IMPACT:

Increases Essential Rail Assistance Account - State by
\$10,000,000.

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