

SENATE BILL REPORT

SB 6363

As Amended by House, March 2, 2018

Title: An act relating to a rail line over the Milwaukee Road corridor.

Brief Description: Concerning a rail line over the Milwaukee Road corridor.

Sponsors: Senators Chase and Warnick.

Brief History:

Committee Activity: Transportation: 1/30/18, 2/05/18 [DP].

Floor Activity:

Passed Senate: 2/13/18, 47-0.

Passed House: 3/02/18, 98-0.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Removes current law language expiring certain provisions regarding the Milwaukee Road corridor.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Hobbs, Chair; Saldaña, Vice Chair; King, Ranking Member; Chase, Cleveland, Dhingra, Fortunato, Lias, McCoy, O'Ban, Sheldon, Takko, Wellman and Zeiger.

Staff: Hayley Gamble (786-7452)

Background: In 1980, the Milwaukee Road railroad declared bankruptcy and sold some of its properties and land. In 1981, the Legislature appropriated \$3.5 million to purchase 213 miles of the railroad's right-of-way in eastern Washington.

The right-of-way owned by the state was eventually put under the management and control of three state agencies: the Parks and Recreation Commission, the Department of Natural Resources, and the Department of Transportation (DOT). During the 1995 legislative interim, the Legislative Transportation Committee convened a Freight Rail and Freight Mobility Task Force to examine the Milwaukee Road corridor's potential for relieving freight

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.

congestion. The task force recommended resuming freight rail service over the portion of the former Milwaukee Road railroad running from Ellensburg to Lind.

DOT is authorized to negotiate a franchise agreement with a qualified rail carrier to operate service over the line. The legislation creating the consolidated transportation corridor was scheduled to sunset if DOT did not enter into a franchise agreement by July 1, 1999. Management of the trail between Ellensburg and Lind would remain with the three state agencies. In 1999, the Legislature extended the deadline for DOT to enter into a franchise agreement to 2006. In 2006, the Legislature extended the deadline to 2009, and in 2009, the deadline was extended to July 1, 2019.

Current law language expiring certain statutes if DOT does not enter into a rail franchise agreement on the Milwaukee Road corridor by July 1, 2019, applies to statutes that:

- direct the parks commission to develop and maintain a cross-state trail facility;
- create a cross state trail account;
- define state agency ownership of various sections of the corridor; and
- direct negotiation of a rail franchise by DOT to operate in the corridor.

Summary of Bill: Current law language expiring certain statutes July 1, 2019, if DOT does not enter into a rail franchise agreement on the Milwaukee Road corridor are stricken. This applies to statutes that:

- direct the parks commission to develop and maintain a cross-state trail facility;
- create a cross state trail account;
- define state agency ownership of various sections of the corridor; and
- direct negotiation of a rail franchise by DOT to operate in the corridor.

Language that expired the statute directing transfer of various portions of the corridor to DOT ownership if DOT entered into a rail franchise agreement by July 1, 2019, is modified to state no ownership transfers shall occur unless a franchise agreement is entered into by DOT.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: This bill would allow another place to have rails and trails. There are currently no plans to operate a rail franchise. Ultimately it would be good to operate this line as an electric line. This line has a lot of potential. This is a minor change to existing statute. This corridor is a rail banked corridor. The central portion of the line is an active rail line. Without this bill, the state park's authority to develop a cross state trail would sunset. All Aboard Washington supports this bill. Once rail infrastructure is gone it is difficult and expensive to bring back. We support rail and trails.

OTHER: Since the 1980s, the Legislature has directed state parks to invest in this trail and many people use this trail every year. Portions of the corridor have been cut off. We would like to see a continuous corridor. Existing statutes are confusing and antiquated. Federal rail banking statutes are much clearer. We would like to sit down with rail and trail interests and look at simplifying these statutes to come back to you next year with a consensus proposal rather than this bill.

Persons Testifying: PRO: Senator Maralyn Chase, Prime Sponsor; Eric Johnson, Washington Public Ports Association; Lloyd Flem, All Aboard Washington.

OTHER: Daniel Farber, Policy and Governmental Affairs Director, Washington State Parks.

Persons Signed In To Testify But Not Testifying: No one.

EFFECT OF HOUSE AMENDMENT(S): Technical change to align current law with changes in the bill.