

# FINAL BILL REPORT

## SHB 1084

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Synopsis as Enacted

**Brief Description:** Concerning freight mobility prioritization.

**Sponsors:** House Committee on Transportation (originally sponsored by Representatives Fey, Ramos, Ryu, Ramel, Leavitt, Timmons and Wylie).

**House Committee on Transportation**  
**Senate Committee on Transportation**

### **Background:**

The Freight Mobility and Strategic Investment Board (Board) was created in 1998 to make strategic, prioritized freight investments that reduce barriers to freight movement. The Board is required to solicit and prioritize projects from public entities, using specified criteria and a scoring framework.

The statement of legislative intent for the creation of the Board addressed many aspects of freight movement: its importance to the state's economy, constraints impacting the performance of the freight system, and the tension between economic benefits and safety concerns in communities with high freight impacts.

Board membership includes 12 members appointed by the Governor for four year terms: two members representing cities from nominations by the Association of Washington Cities, two members representing counties from nominations by the Washington State Association of Counties, two members representing port districts from nominations by the Washington Public Ports Association, one member representing the Office of Financial Management, one representative of the trucking industry, one representative of railroads, the Secretary of the Washington State Department of Transportation (WSDOT), one representative of the steamship industry, and one member of the general public. The Board members are not subject to Senate confirmation.

The Board is directed to establish five threshold criteria, or minimum requirements, for

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project selection. The criteria include that the project must be on a strategic freight corridor, have a benefit/cost ratio greater than one, and be primarily aimed at specific aspects of improving freight movement. In addition, the first 55 percent of investments made by the Board must be allocated to projects with the highest prioritization scores and the remaining investments allocated equally among three regions of the state, one including the counties of the Puget Sound, a second including counties east of the Cascades, and a third including counties west of the Cascades. Specific statutory rules apply to the elimination or restoration of projects from the investment list. The Board is authorized to make grants and loans to project sponsors.

The Board is required to designate the strategic freight corridors of the state and is authorized to recommend policies to address operational improvements to the freight system.

State and federal transportation planning requirements require the WSDOT to develop a freight plan and a marine ports and navigation plan. Port district development plans must be submitted to the WSDOT, transportation planning organizations, and affected cities and counties.

Funding for projects approved by the Board is provided by two state accounts. The Freight Mobility Investment Account receives \$14.5 million each biennium in transfers from revenues limited to use for highway purposes. The Freight Mobility Multimodal Account receives \$14.5 million each biennium in transfers from revenues that may be used for any transportation purpose.

### **Summary:**

The Legislative finding addressing community impacts is modified to recognize the impacts of freight transportation on overburdened communities and to state the intent that freight mobility improvements must prevent or minimize community impacts in areas of high freight and must encourage active participation of impacted communities. Additional intent language is added referencing the state's greenhouse gas reduction targets and stating that freight mobility efforts must facilitate a transition to zero-emission technology.

The Board's primary duty of soliciting freight project applications and making freight project investments is changed to providing strategic guidance to the Governor and the Legislature regarding the highest priority freight mobility needs in the state. To accomplish this end, the Board must recommend a six-year investment program of the highest priority freight projects, after seeking input from local governments, transportation planning organizations, Indian tribes and other public entities. The investment program must be developed consistent with the federally recognized state freight plan. The Board must also identify critical emerging freight mobility issues and report on a biennial basis on these activities to the Governor and the transportation committees of the Legislature.

The required threshold criteria for selection of projects to recommend as part of the six-year investment program of highest priority freight mobility investments are reduced to two criteria. The first is that the project must be on a strategic freight corridor. The second is that the project sponsor must demonstrate a plan for sufficient engagement with overburdened communities impacted by the project and a plan for evaluation of project alternatives and mitigation measures addressing impacts to the greatest extent possible.

The Board may adopt other criteria for the selection of projects to recommend which may include, and not be limited to: benefits to the state's freight system, funding already secured, project readiness for construction, and regional distribution of projects. The Board must also establish procedures for collecting and validating project information that rely on information that project sponsors have already developed to the greatest extent possible.

The Board membership is increased by five members: one member representing the package delivery industry, one member representing environmental protection interests, one member representing the interests of overburdened communities, one labor member representing the freight sector, and one member representing the heavy highway construction industry. The Secretary of the WSDOT may be represented on the Board by a designee.

The Board is required to coordinate with the WSDOT throughout the periodic update of the state's freight mobility plan and review and provide feedback on the plan. The WSDOT is directed to coordinate with the Board throughout its process of updating the freight mobility plan and the marine ports and navigation plans and provide opportunities for review and feedback on the plans.

The Board is authorized to evaluate and recommend for state sponsorship priority projects eligible for federal grant funding under the Infrastructure for Rebuilding America program and the Railroad Crossing Elimination program.

Continued activities of the Board include designating the strategic freight corridors of the state and recommending policies to address operational improvements to the freight system.

Two definitions are added to the Board's authorizing statute. "Indian tribe" means any federally recognized Indian tribe whose traditional lands and territories included parts of Washington, the same definition as is used in the laws relating to government-to-government relationships with Indian tribes. "Overburdened community" means a geographic area where vulnerable populations face combined, multiple environmental harms and health impacts and is the same definition as is used in the laws relating to environmental justice.

The Board is required to conduct a study of best practices for preventing or mitigating the impacts of freight investments and the operation of freight systems in overburdened communities. The focus of the study must be on developing common procedures and

practices for use by jurisdictions developing freight projects. The study must also make recommendations to the Board regarding methods to evaluate the requirement to demonstrate a plan for engagement with overburdened communities and mitigation of project impacts in those communities.

The Freight Mobility Investment Account and the Freight Mobility Multimodal Account are each amended so that funds must only be used for projects recommended by the Board, rather than projects approved by the Board.

Port districts are authorized to develop freight development plans. These plans must be submitted to the Board, the WSDOT, transportation planning organizations, and affected cities and counties.

Repealed sections include the authorization to make grants and loans, a required methodology for allocation of funds among regions of the state, the required process for removal of projects from a funding list, and obsolete language.

**Votes on Final Passage:**

House	95	0
Senate	48	0

**Effective:** July 23, 2023