
Transportation Committee

SSB 5742

Brief Description: Codifying certain existing grant programs at the department of transportation.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Kauffman, Lias and Lovick).

Brief Summary of Substitute Bill

- Establishes the following programs within the Department of Transportation:
 - The Paratransit and Special Needs Grant Program;
 - The Public Transit Ride Share Grant Program;
 - The Freight Rail Investment Bank Program;
 - The Freight Rail Assistance Program; and
 - The Bicyclist and Pedestrian Grant Program.

Hearing Date: 4/13/23

Staff: Mark Matteson (786-7145).

Background:

The transportation budget includes several grant and loan programs that have been part of the budget for a number of biennia. These include the Special Needs Transportation Grant Program, the Public Transit Rideshare Grant Program, the Freight Rail Investment Bank Program, Freight Rail Assistance Program, and the Pedestrian and Bicycle Safety Grant Program.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Special Needs Transportation Grants. The Special Needs Transportation Grant Program provides support for transit agencies that transport persons with special transportation needs and for non-profit providers of special needs transportation. The program has been included in the state transportation budget since the 2003-05 biennium. In the 2021-23 biennial transportation budget, a total of \$67,821,000 was appropriated, with 77 percent provided to transit agencies and 23 percent provided to nonprofit providers of special needs transportation. The appropriation for transit agencies is subject to the limitations that, to be eligible, an agency must demonstrate a maintenance of effort that is no less than the previous year's maintenance of effort for special needs transportation, and that no agency may receive more than 30 percent of the distributions.

Public Transit Rideshare Grant Program. The Public Transit Rideshare Grant Program provides support for transit agencies to add or replace rideshare vehicles and grants for incentives and outreach to increase rideshare use. The program has been included in the state transportation budget since the 2003-05 biennium, originally as a vanpool grant program, and in the 2022 supplemental transportation budget as one concerning rideshare vehicles, more broadly. In the 2021-23 biennial transportation budget, \$2,000,000 was provided for the program.

Freight Rail Investment Bank and Emergent Freight Rail Assistance Programs. The Freight Rail Investment Bank Program (FRIB) provides low-interest loans for the purpose of supporting freight rail capital needs. Eligible recipients include publicly-owned railroads, port districts, rail districts, and local governments. Loans are generally limited to \$250,000, and applicants must provide at least a 20 percent match. The repayment period is a maximum of ten years. The Freight Rail Assistance Program (FRAP) provides grants for the purpose of supporting freight rail capital needs. Eligible recipients include cities, county rail districts, counties, economic development councils, port districts, and privately or publicly owned railroads. The FRAP grants are available to both the public and private sectors. In the 2021-23 biennial transportation budget, \$5,089,000 was provided for new FRIB loans and \$6,817,000 was provided for new statewide emergent FRAP projects.

Prospective FRIB and FRAP projects are evaluated according to a cost-benefit methodology developed during 2008 pursuant to a proviso in the transportation budget. The methodology must use the following legislative priorities, in order of relative importance:

1. economic, safety, or environmental advantages of freight movement by rail compared to alternative modes;
2. self-sustaining economic development that creates family-wage jobs;
3. preservation of transportation corridors that would otherwise be lost;
4. increased access to efficient and cost-effective transport to market for Washington's agricultural and industrial products;
5. better integration and cooperation within the regional, national, and international systems of freight distribution; and
6. mitigation of impacts of increased rail traffic on communities.

Statutory law provides that state funding for rail service, rail preservation, and corridor preservation must benefit the state's interests. The state's interest is served by reducing public

roadway maintenance and repair costs, increasing economic development opportunities, increasing domestic and international trade, preserving jobs, and enhancing safety.

Pedestrian and Bicycle Safety Grant Program. The Pedestrian and Bicycle Safety Grant Program awards grants to local jurisdictions to eliminate pedestrian and bicyclist fatal and serious injury crashes, build connected low stress walk and bike networks, and increase walking and biking. The program has been included in the state transportation budget since the 2005-07 biennial budget. In the 2021-23 biennial transportation budget, \$32,613,000 was provided for the program.

Summary of Bill:

Establishes several Department of Transportation grant and loan programs, based on past budgetary grant programs with some modifications, including a Paratransit and Special Needs Grant Program, the Public Transit Ride Share Program, a Freight Rail Investment Bank Program, an Emergent Freight Rail Assistance Program, and a Bicyclist and Pedestrian Grant Program.

A Paratransit and Special Needs Grant program is established to sustain and expand transit service to people with disabilities, based on the Special Needs Transportation Grant Program in the 2021-23 transportation budget. Of the amounts appropriated to the program, 23 percent must be provided for grants to nonprofit providers of special transportation needs, and 77 percent to transit agencies to support persons with special transportation needs. The amounts provided to transit agencies are subject to the same limitations as have applied in the Special Needs Transportation Grant Program in the 2021-23 transportation budget.

A Public Transit Ride Share Program is established to provide resources to add or replace ride share vehicles at public transit agencies and for incentives and outreach to increase ride share usage, based on the Public Transit Rideshare Grant Program in the 2021-23 transportation budget. The parameters for the program are the same as those for the budgetary program.

A Freight Rail Investment Bank (FRIB) Program is established to provide low-interest loans to entities, and a statewide Emergent Freight Rail Assistance Program (FRAP) is established to award grants. Both programs are based on the past associated budgetary grant programs and on the state's interests in the provision of funding for rail service, rail preservation, and corridor preservation. For the FRIB Program, the term of a loan may not exceed 15 years and the Department may charge only so much interest as is necessary to recoup costs. For both programs, projects must be evaluated using a cost-benefit methodology that is the same as as the legislative priorities used in the budgetary FRIB Program. The Department must report annually to the Office of Financial Management and the transportation committees of the Legislature on the status of the loans and grants.

A Bicyclist and Pedestrian Grant Program is established to improve pedestrian and bicyclist safety and mobility and increase active transportation trips, based on the Pedestrian and Bicycle Safety Grant Program in the 2021-23 transportation budget. Eligible project types include

bicycle facilities such as buffered bike lanes, pedestrian facilities such as sidewalks, crossing improvements for people who walk and roll, and speed management.

Appropriation: None.

Fiscal Note: Not requested.

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