

# HOUSE BILL REPORT

## SSB 5742

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**As Reported by House Committee On:**  
Transportation

**Title:** An act relating to codifying certain existing grant programs at the department of transportation.

**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 History:**

**Committee Activity:**

Transportation: 4/13/23, 4/14/23 [DPA].

**Brief Summary of Substitute Bill**  
**(As Amended By Committee)**

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

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### HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** Do pass as amended. Signed by 26 members: Representatives Fey, Chair; Donaghy, Vice Chair; Paul, Vice Chair; Timmons, Vice Chair; Barkis, Ranking Minority Member; Hutchins, Assistant Ranking Minority Member; Robertson, Assistant Ranking Minority Member; Berry, Bronoske, Chapman, Cortes, Dent, Doglio, Duerr, Entenman, Goehner, Griffey, Hackney, Klicker, Mena, Orcutt, Ramel, Ramos, Schmidt, Taylor and Wylie.

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*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.*

**Minority Report:** Without recommendation. Signed by 3 members: Representatives Low, Assistant Ranking Minority Member; Volz and Walsh.

**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.

Special Needs Transportation Grants. The Special Needs Transportation Grant Program provides support for transit agencies that transport persons with special transportation needs and for nonprofit 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 million 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 10 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 public and private sector recipients. 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 crashes resulting in fatalities or serious injuries, 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.

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### **Summary of Amended Bill:**

Several grant and loan programs are established at the Washington State Department of Transportation (WSDOT). The programs are based on past budgetary grant programs with some modifications and include a Paratransit and Special Needs Grant Program, a 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 Biennial 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 limitations similar to those that applied to the Special Needs Transportation Grant Program in the 2021-23 Biennial 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 Biennial Transportation Budget. The parameters for the program are the same as those for the program in the 2021-23 Biennial Transportation Budget.

A Freight Rail Investment Bank (FRIB) Program is established for the purpose of supporting freight rail capital needs by providing low-interest loans to entities, and a statewide Emergent Freight Rail Assistance Program (FRAP) is established to support freight rail capital needs by the awarding of grants. Both programs are based on the associated budgetary grant programs in the 2021-23 Biennial Transportation Budget 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 WSDOT 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 uses the legislative priorities that were applied to the budgetary FRIB Program. The WSDOT 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 Biennial 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.

**Amended Bill Compared to Substitute Bill:**

The amended bill:

- provides the time periods for which the maintenance of effort expenditure amounts must be reported and shown, in order for a transit agency to be considered eligible for a Paratransit and Special Needs Grant Program grant;
- provides the time period of reported expenditure for demand response service and route deviated service, with respect to the manner in which the total grant amounts must be prorated between transit agencies;
- provides that the purpose of the Freight Rail Investment Bank (FRIB), and of the Freight Rail Assistance Program (FRAP), is to support freight rail capital needs; and
- provides that FRIB and FRAP projects are to be evaluated using a cost-benefit methodology, and that the methodology must use the legislative priorities specified in the bill.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Staff Summary of Public Testimony:**

(In support) None.

(Opposed) None.

**Persons Testifying:** None.

**Persons Signed In To Testify But Not Testifying:** None.