

Joint Transportation Committee Freight Investment Study

Objective:

To evaluate funding sources to improve freight movement in Washington, and recommend institutional structures to evaluate and prioritize freight mobility investments.

Legislative Authorization:

SSB 5207 enacted in the 2007 Session:

- Created a freight congestion relief account to provide congestion relief through the improvement of freight rail systems and state highways that function as freight corridors.
- Direct the Joint Transportation Committee to administer a consultant study of funding mechanisms for the freight congestion relief account.

The 2007-09 Transportation Budget provided up to \$500,000 for the JTC to implement SSB 5207. The JTC allocated \$400,000 for the consultant contract.

Study Requirements:

SSB 5207 directs JTC to administer a consultant study of funding mechanisms for the freight congestion relief account to address, at minimum:

1. federal, state, incentive, and other project fees;
2. current taxes and fees paid by the freight industry and projects funded;
3. other non-freight related fees and taxes that could be used to fund freight congestion relief investments;
4. how other states and countries pay for freight congestion relief investments and how those approaches would impact Washington freight competitiveness;
5. assess container-based and port-related user fees and other mechanisms on the demand elasticity of freight goods through Washington ports, (including potential diversion);
6. the return on investment in freight rail and highway-based infrastructure supported by user fees and the impact on container traffic and other freight movements; and
7. a structure for a future project recommendation body including membership, process and selection criteria.

A stakeholder group is mandated to work with the consultant to:

1. identify critical freight congestion relief investments;
2. identify alternatives for a dedicated funding source or user fees to fund congestion relief investments; and
3. develop and review a final consultant study.

The 29 member Stakeholder Group was appointed by the JTC and includes representatives from ports, rail, trucking, shipping, labor, importers/exporters of products, WSDOT and the Freight Mobility Strategic Investment Board.

(over)

Study Implementation:

- Freight Investment Policy Group
 - Policy Guidance for study
 - 10 Legislators, Transportation Commissioner, Governor's representative and JTC members

- Contract with Cambridge Systematics in July 2007
 - Subconsultants: Gil Hicks & Associates, Foster Pepper, Rob Leachman & Associates, Public Financial Management, and BST, Inc.

- Transportation Committee Staff Working Group
 - Includes House, Senate and Joint Transportation Committee staffs, Governor's Policy Office, and OFM Forecasting Office
 - Ranked consultant proposals
 - Technical review of report documents

- Final draft report due December 15, 2007

- Final report to JTC before 2008 Session