January 14, 2021

TO: Members of the Senate and House Transportation Committees

SUBJECT: Joint Transportation Committee Annual Activity Report

In 2020, the Joint Transportation Committee (JTC) completed six studies as directed by the Legislature. Attached are brief summaries of those studies:

1. Feasibility of an east-west intercity passenger rail system for Washington state (p. 2)
2. Electrification of public vehicle fleets in Washington state (p. 4)
3. Study of vehicle licensing subagents (p. 7)
4. Statewide transportation needs and priorities for Washington State (p. 9)
5. Feasibility of a private auto ferry between Washington state and Vancouver Island (p. 12)
6. Assessment of rail safety governance in Washington state (p. 14)

The Joint Transportation Committee held five meetings in 2020 via videoconference on May 17, June 23, September 17, November 17, and December 17.

Our annual tour, which had been scheduled to occur in October, was cancelled due to the COVID-19 pandemic.

The 2021 Supplement to the Transportation Resource Manual was released on January 4, 2021.

Additional information about JTC activities including links to all current and past studies with meeting presentations and reports is available on the JTC website at leg.wa.gov/jtc.

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Representative Jake Fey  
Co-Chair

Senator Steve Hobbs  
Co-Chair

Representative Andrew Barkis  

Senator Curtis King
Feasibility of an east-west passenger rail system for Washington state
JTC Project Manager: Dave Catterson

In 2019, the Legislature directed the JTC to assess the feasibility of an east-west passenger rail system for Washington state, looking specifically at the Stampede Pass corridor and service to Auburn, Cle-Elum, Yakima, Ellensburg, Tri-Cities, Toppenish and Spokane.

The consultant team chosen to conduct the study was lead by Steer with support from David Evans and Associates. The consultants began their work in August of 2019 and the final report was completed in June 2020.

Background
The Stampede Pass corridor links Auburn in the Seattle metropolitan area to the Tri-Cities. The Stampede Pass line then connects with the Pasco East main line which continues northeast to Spokane. BNSF Railway owns the Stampede Pass line, which is currently used exclusively for freight rail transportation. For more than 90 years passenger trains did serve the Stampede Pass corridor but that ended in 1981. Since that time, there has been interest among the communities along the corridor and among other stakeholders in restoring passenger train service. Since 2001, several studies have examined restoring passenger service.
The JTC Study
The goal of the study was not to provide recommendations but to assess feasibility by:

- Developing projections of potential ridership and revenues
- Determining and describing potential operational scenarios including the number and timing of departures per day, approximate schedules, passenger train sets needed, potential impact on rail freight movement and other factors
- Assessing current infrastructure conditions, including station stop locations with high-level cost estimates for necessary improvements and equipment
- Measuring community support through focus groups and an online survey
- Identifying potential operator options

As this was a preliminary high-level study, it did not include the development of a specific service definition or track and station design. Prior to service initiation many of the service details would need to be determined through a negotiated agreement with the host freight railroad, BNSF Railway.

Key findings:

- The overall conclusion is that introducing a Seattle to Spokane service via the Stampede Pass is technically feasible and despite long journey times, could generate ridership above or comparable to some other Amtrak state supported services.

- Journey times will be long due to slow speeds and to avoid conflicts with freight services. The Stampede Pass portion of the route between Auburn and Cle Elum is slowest due to significant gradients and sharp curves. The total estimated journey time from Seattle to Spokane is 8 hours and 35 minutes.

- Ridership projections are relatively low due to long journey times compared to auto, air and bus trips. In addition, there are a low number of long-distance car trips along this corridor today compared to many other markets where state supported intercity rail services operate. Projections of annual ridership for year 2020 ranged from 31,000 to 205,000 annual trips with a further increase to 215,000 estimated if train journey times were reduced by one hour between Seattle and Spokane. In comparison 2019 ridership for the Amtrak Cascades service which serves a more populated corridor with more frequent service (4 daily services between Seattle and Portland) was 829,000.

- Adopting a fare structure consistent with Amtrak policies generated an estimate of between $0.6 million and $4.6 million depending on the service plan option, while food and beverage revenues are estimated at up to $1.6 million.

- To operate services, investments will need to be made for additional rail infrastructure, new stations and acquiring a new fleet of trains. The total upfront capital costs are estimated to be $420 million. There could be substantial additional costs to implement Positive Train Control along the corridor. The annual operating subsidy is estimated to be $12 - $30 million depending upon the service option.

- An on-line survey and focus groups indicated strong community support for the service particularly in the Yakima Valley.

- The study examined three potential operator options: public outsourcing, private outsourcing and state operated. Contracting with a private operator could be more cost effective than Amtrak but requires securing agreement with BNSF Railway.

The final report is available here: https://leg.wa.gov/JTC/Pages/eastwestpassengerrail.aspx
Electrification of public vehicle fleets in Washington state

JTC Project Manager: Dave Catterson

In 2019, the Legislature directed the JTC to analyze the electrification of public vehicle fleets including current inventory and electrification status of the fleet, current and projected costs of electric vehicles and fueling/charging infrastructure, and financing mechanisms and other strategies that could accelerate the transition of publicly owned vehicle fleets to electric vehicles. For the purposes of this study public fleets included those maintained by the State of Washington, counties, cities, public transit agencies and school districts (school buses only).

The consultant team chosen to conduct the study was led by Atlas Public Policy with support from the Washington State University Energy Program and the National Renewable Energy Laboratory. The consultants began their work in November of 2019 and the final report was completed in November 2020.

Background
Transportation is Washington state’s largest source of air pollution and greenhouse gases. Since at least 2002 both the Executive and Legislative branches have been directing a move away from fossil fuels. With the passage of E2SHB 1303 in 2007 the Legislature established a deadline of June 1, 2015 for all state agencies and local governments (including transit agencies) to “satisfy one hundred percent of their fuel usage for operating publicly owned vessels, vehicles, and construction equipment from electricity or biofuel” to the extent practicable as determined by the Department of Commerce. The deadline was extended to 2018 for local governments in 2011.

Neither the state nor local governments have met these fleet conversion goals for a variety of reasons including:
- Additional upfront costs of alternative fuel vehicles
- Unavailability or cost of fueling/charging infrastructure
- Insufficient options for vehicle duty requirements

Electric vehicles have emerged as the leading alternative fuel vehicle option. In 2015, Gov. Jay Inslee announced the Washington State Electric Fleets Initiative (updated in 2019) and in 2018 issued his Executive Order on State Efficiency and Environmental Performance. Both direct the state to increase purchasing of electric vehicles for the state fleet. Many local governments and transit agencies have adopted fleet electrification initiatives. In 2019 the Legislature passed significant legislation (E2SHB 2042) aimed at increasing the rate of adoption of electric vehicles across the state. Through this action the Legislature has clearly indicated their intent to accelerate electric vehicle adoption in the public and private sectors.

The JTC Study
The overall goal of this study was to provide the Legislature with actionable information on how to efficiently move forward with public fleet electrification.

The study includes:
- An inventory of existing public vehicle fleet
- Total cost of ownership comparisons of available alternative electric vehicles
- Projected costs of electrification for 2025, 2030, and 2035
- Projections of required statewide charging network
- Projections of emissions abatement from fleet electrification
- Examination of financing strategies and mechanisms to accelerate electrification
**Key findings:**

*Aproximately 3 percent of the existing public vehicle fleet consists of battery electric or plug-in hybrid vehicles.* The study team collected data from multiple sources across Washington to create an inventory that includes 56,080 vehicles including 12,987 stage agency vehicles, 9,222 public transit agency vehicles, 10,838 school buses, and an estimated 23,033 city and county vehicles. Currently, just over 3 percent of those vehicles are battery electric or plug-in hybrid vehicles.

**Light duty vehicles are near the tipping point for cost effective electrification.** Total cost of ownership (TCO) analysis shows that public fleets can electrify a large number of passenger vehicles in the current market and any savings the state can achieve from incentives, vehicle selection, price reductions, or charging infrastructure planning can cause large shifts in the number of vehicles that can be electrified cost effectively. Using lower-cost charging configurations where possible is a key factor in reducing overall TCO for light-duty vehicles.

**Heavy duty transit buses are the most cost-effective vehicle types to electrify.** Transit buses are typified by both high upfront and operational costs with buses typically costing more than $500,000 and traveling more than 30,000 miles per year. Given the high costs associated with these vehicles, even small percentage savings in the total cost of ownership can represent large sums of money.

**Grant funding is essential for cost effective school bus electrification in the near term.** In contrast to transit buses school buses annual mileage is low and any operational cost savings from lower maintenance costs, greater fuel economy, and cheaper fuel did not accumulate enough savings to bring electric school buses within five percent of internal combustion powered buses’ total cost of ownership for all but a handful of vehicles.

**Selecting the right electric vehicle has the most significant effect on cost-effective electrification overall.** Without changing any state policy or allocation of additional funds, fleet managers could generate substantial additional savings and electrify more vehicles by only targeting lower priced EVs when replacing internal combustion vehicles.

**Prioritizing electrification of vehicles with the highest annual miles travelled is the second most important factor in cost effective electrification.** Electric vehicles are cheaper to operate due to lower maintenance requirements, greater efficiency, and lower fuel costs. More savings accumulate with more miles traveled.

**Electricity costs can be significantly reduced with smart charging systems.** Electricity demand charges, costs resulting from high electricity draw, can double the electricity prices for charging of electric vehicles. These costs can be mitigated by smart charging software which limits the total electricity draw across multiple charging stations.

**Large scale electrification of the public fleet would likely have minimal impact on the electrical grid.** Full electrification of the more than 56,000 public fleet vehicles would result in approximately 0.69 terawatt-hours of new annual electric load from EV charging, or just 0.6 percent of total electricity demand as of 2018.

**Emission reductions from fleet electrification would be concentrated along major highway corridors and in dense urbanized areas and most of the reductions would come from electrifying heavy-duty vehicles.** Heavy duty vehicles account for more than 75 percent of CO2 and particulate matter emissions. While electrification of the heavy-duty fleet is more costly, it also provides significantly greater marginal emissions savings across most emissions categories.

**There are numerous tools and policy options that could accelerate public fleet electrification:**

- Revolving loan programs for state agencies can overcome electrification funding barriers
- Right-to-charge legislation can address charging installation challenges at private properties leased by
public agencies

- A vehicle-grid-integration (VGI) program has a noticeable, positive effect on the electrification potential of all vehicle classes by reducing EV charging costs.
- Accounting for the social cost of carbon through carbon taxes, fuel standards or credit systems could triple the number of light-duty vehicles that could be electrified at a TCO within 5 percent of the TCO of an internal-combustion vehicle.
- A grant program covering the full cost of Level 2 charging infrastructure equipment and installation could more than double the share of vehicles that meet the five percent TCO electrification threshold
- A DC fast-charging grant program could increase by 50 percent the electrification savings potential of medium and heavy-duty vehicles
- Instituting a truck and bus program like California’s Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) program makes all publicly owned trucks and buses cost effective to electrify now.
- Capturing some of the federal tax EV credit when purchasing fleet vehicles has a significant impact on cost-effective light-duty electrification potential

**Key recommendations:**

Washington state should develop a roadmap to swiftly increase share of EVs in public fleets between 2020 and 2035 to achieve billions in fleet cost savings. The savings could range from $250 million to $3.4 billion depending upon technological progress and timing of fleet purchases. Analysis shows all vehicle purchasing by 2035 could be electric.

To maximize EV deployment and savings, the state should prioritize:

- Medium-and heavy-duty transit buses as these vehicles offered both the highest share of vehicles that qualified for electrification and the greatest savings.
- Light-duty vehicles for state agencies as these vehicles offered the potential for large scale electrification at a cost savings

When electrifying vehicles, the state should pursue:

- Right-sizing or selecting the least expensive EV alternative that meets the operational needs of a given vehicle, which could double the share of EVs deployed.
- Electrifying vehicles with high annual mileage.
- Smart charging systems or other means to avoid high electricity costs.
- Low-cost Level 2 charging solutions for light-duty vehicles

To accelerate the pace of electrification in Washington, the state should:

- Prioritize low-or no-cost policies of bundled procurements, right-to-charge legislation, and proper fleet management.
- Expand existing grant funding programs to accelerate medium-and heavy-duty electrification in the near term.
- Encourage utilities to enact or expand charging infrastructure programs

The final report is available here: [https://leg.wa.gov/JTC/Pages/electrificationpublicfleets.aspx](https://leg.wa.gov/JTC/Pages/electrificationpublicfleets.aspx)
Study of vehicle licensing subagents in Washington state
JTC Project Manager: Paul Neal

In 2019 the Legislature directed the JTC to analyze and generate recommendations for Washington’s practice of authorizing private businesses to perform vehicle and vessel title and licensing services, collecting the associated fees for the State.

The JTC hired Berk and Associates as the consultant team to provide the study. The consultants began their work in October 2019, completing the final report in November 2020.

Background
Washington collects a number of vehicle licensing fees, including registration fees, weight fees, and title transfer fees, among others. Washington citizens can choose to pay these fees either:

- Directly to the State Department of Licensing (DOL);
- To the County Auditor;
- To vehicle licensing subagents.

Subagents were first authorized to assist County Auditors and DOL with vehicle licensing and titling in 1937.

County auditors and subagents pass the vehicle licensing revenue through to the state and retain specific fees to offset their own costs. Subagent fees (service fees) were recently increased in Chapter 417, laws of 2019 (EHB 1789).

The JTC Study
The study proviso directed the JTC to present information on the legal and administrative context subagents operate within, the history of subagent service fees, determination of business expenses for each of the subagents, and recommendations for possible process improvements and service expansion.

The JTC hired Berk and Associates as the consultant team to provide the study. The consultants began their work in October 2019, completing the final report in November 2020.

Key Recommendations

- **Clarity Goals of the System and the State Interest.** DOL and the Legislature should clarify the intent of the system and the implications of funding the Capital Vessel Replacement Account (CVRA) through these services. Clarifying the overarching goal and State interest in the delivery system will facilitate making system improvement decisions and in the face of a technological or other disruption help figure out the best response.

- **Reduce Barriers to Entry.** With about 135 subagents operating in the state with a relatively stable transaction base, there are few opportunities to open a new subagency. Opportunities will remain limited under the current system and could decrease if more transactions move online or there are other changes in the market. However, there are potential improvements that could improve access:
  - Create a central distribution site for all RFPs in the state and provide technical assistance to potential bidders.
  - Develop strategies to broaden and diversify the pipeline, such as recruiting from related sectors (title clerks, etc.) who may be interested in owning their own business, or working with local small business resources, including Chambers of Commerce or Small Business Administration offices.
• **Encourage Online Transactions and Consistent Technology.** COVID-19 is likely to accelerate interest in moving more transactions online, including title work and the dealer and fleet business.
  o Given financial constraints that counties will face as a result of COVID-19, now might be the time to refer all online transactions to subagents who can staff accordingly, while county agents would retain the filing fee.
  o The state could encourage on-line transactions by implementing payment plans as a more affordable payment might encourage more online renewals and would help households struggling to pay fees, which in some counties can be substantial.
  o It should be noted that moving on-line transactions to sub-agents would transfer revenue from the CVRA to subagents.

The state should explore moving more title transactions online, starting with revising RCW 46.12.665 to allow for electronic submission of odometer disclosure statements since the CFR already allows for electronic odometer disclosures.

• **Change the Process for Service Fee Updates.** The current system provides a flat fee for all subagent transactions. We examined revenue and expenses and found significant variations in subagent business health. Revenue opportunities for subagents are limited by overall licensing volume which is often a function of population.
  o Subagents would benefit from predictable revenue increases.
  o Currently those increases are provided across the board to all subagents. A mechanism allowing targeted revenue increases for marginally profitable subagencies could address business variability.

• **Revise Licensing Certification Requirements.** Among the Staff Workgroup and several subagents and agents, there was consensus that the current 1,800 training requirement to become a certified vehicle licensing representative should be replaced with a skills-based standard. DOL is currently working on this issue, which would be addressed in WAC.

The final report is available here: [https://leg.wa.gov/JTC/Pages/vehiclesubagents.aspx](https://leg.wa.gov/JTC/Pages/vehiclesubagents.aspx)
Comprehensive assessment of statewide transportation needs and priorities

JTC Project Manager: Dave Catterson

In 2019, the Legislature directed the JTC to assess statewide transportation needs and priorities from 2022-2031 and identify existing and potential transportation funding mechanisms to address those needs and priorities.

The JTC contracted with a consulting team lead by Berk and Associates with support from Perteet. They began their work in September 2019 and completed the Phase I final report in June 2020 and the Phase II final report in December 2020.

The JTC study

This study occurred in two distinct phases. **Phase I**, which concluded in June 2020, included:

- A complete assessment/inventory of transportation capital and operating needs and priorities across all public jurisdictions over the ten-year timeframe spanning 2022-2031.
- A comprehensive menu of funding options to address the identified needs and priorities.
- Analysis of the economic impacts of a range of identified transportation investments.

**Phase II** took place June through November of 2020. A facilitated advisory panel, appointed by the JTC Executive Committee, developed recommendations to the Legislature on priority investments and options for new revenue.

Key findings – Phase I Needs Assessment

Funding needs

As detailed in the figure below current funding for each jurisdiction type is less than half of what is needed, even without considering costs to catch up on deferred maintenance and preservation.

![Funding Needs Chart]

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Estimated 10-Year Need</th>
<th>10-Year Estimate from Current Levels</th>
<th>Estimated 10-Year Funding Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>State1</td>
<td>$69–90B</td>
<td>$37B</td>
<td>$32–53B</td>
</tr>
<tr>
<td>Tribal Nations2</td>
<td>$440-520M</td>
<td>Unknown</td>
<td>Unknown</td>
</tr>
<tr>
<td>Cities3</td>
<td>$20–28B</td>
<td>$15B</td>
<td>$5–138</td>
</tr>
<tr>
<td>Counties2</td>
<td>$16–21B</td>
<td>$7.7B</td>
<td>$8–138</td>
</tr>
<tr>
<td>Port Districts2</td>
<td>$18–22B</td>
<td>$7.3B</td>
<td>$11–158</td>
</tr>
<tr>
<td>Public Transit3</td>
<td>$13–20B</td>
<td>$9.1B</td>
<td>$4–118</td>
</tr>
</tbody>
</table>

1. State estimates include consideration of active transportation, safety, and fish passage barriers as well as categorical estimates from Exhibit 32. Calculations do not include deferred maintenance and preservation, and other departments under the transportation budget.

2. These calculated gaps do not include costs to address deferred maintenance and preservation as well as local costs to address fish passage barrier removal, safety, active transportation, and ADA compliance.

3. Note: We were unable to compile internal budget and financial data to assess individual and overall funding gaps within the scope of this study. These estimates may undercount actual needs, and each Nation will have different needs and resources.

Sources: WSDOT, 2020; SAO, 2020; BERK, 2020
Potential revenue options
The consultant team created an Excel-based funding model with the goal of providing policymakers with an order-of-magnitude estimate of revenue opportunities. The revenue model allows users to adjust underlying assumptions and see how revenues respond, ultimately helping decisionmakers weigh tradeoffs among revenue options. Working with a technical team of staff from the JTC, House and Senate Transportation Committees, Office of Financial Management, the Department of Licensing and WSDOT the consultants developed revenue estimates for 67 existing and potential new revenue sources.

Economic impacts of transportation investments
The consultant team developed 12 case studies of recently completed transportation projects to highlight economic and fiscal impacts of different types of transportation investments across the State.

Benefits of transportation projects compound. There is an observable pattern whereby transportation benefits create economic benefits that in turn create fiscal benefits. Other community benefits more indirectly play into this cycle

Jurisdictions may receive a financial return on investment. Tax receipts accrue and may offset, or even exceed, an individual jurisdiction’s investment in the project. For a select group of projects, the estimated Return on Investment (ROI) for the state ranged 20 to 515 percent and 15 to 255 percent for local governments.

Phase II – Advisory Panel recommendations
Advisory Panel membership and format - The JTC Executive Committee invited nominations from a list of organizations in Washington and from that list appointed a panel of 18 members including two Co-Chairs, former State Representative Judy Clibborn and CEO of Spokane Airports Lawrence Krauter.

The Advisory panel was facilitated and supported by BERK Consulting and JTC staff. The Panel met four times by video conference between August and October 2020. All meetings are available for viewing via TVW. BERK interviewed members ahead of the first meeting to answer questions about the panel’s charge and the Phase 1 needs assessment work and to hear perspectives on select topics.

Overall themes
- Given the significant need, the Legislature needs to identify new sources of revenue and/or additional revenues from increases to existing sources to fund critical transportation needs.
- Our economy is fragile, and the impacts of the COVID-19 pandemic and recession are uneven.
- “Finish what we’ve started”- prioritize funding for existing projects and commitments before taking on new projects.
- Need dedicated funding to solve critical infrastructure and safety problems and flexible funding to reflect changing needs.
- Communicating the benefit of transportation investments could help increase support.

Funding Principles
All 18 members of the Advisory Panel supported the funding principles
- Funds raised should be dedicated to transportation and there should be transparency into how the funds are spent.
- Revenues and investments should advance the Transportation System Policy Goals.
- Any revenue packages with new projects should include funds dedicated to preservation and maintenance.
- Given the significant needs, the amount of revenue generated, and the stability of the revenue stream should be considered when selecting new or revised sources.
- Efficiency of implementation and ease of collection should be a consideration for new sources.
- New tax proposals should be analyzed for disproportionate impact to underrepresented communities
with respect to ability to pay and tax impact.

- The Legislature should clarify what it believes the State’s role is with respect to funding transportation.
  - The State has a responsibility for the state-owned system (spelled out in statute), and it also has an interest in supporting local transportation systems and ensuring that the whole system functions and serves the needs of the entire state.
  - Clarity is lacking with regards to this second part –the state interest.
- The State has a responsibility to help fund multimodal transportation systems across the state, including for local jurisdictions. This could include expanding local revenue authorities and providing direct financial and technical assistance.
- Public private partnerships using financing, such as tolling, and alternative project delivery methods, should be given serious consideration. While this is not a tool the State has much history utilizing, we think the Legislature should have a robust and thoughtful conversation about testing these tools in targeted applications.
- The State has an obligation to fund removal of fish passage barriers (culverts) associated with state-owned highways under federal court order.
  - A dedicated funding source that would sunset once those needs are funded and does not exclusively rely upon the transportation budget should be identified.
  - In addition, the State should optimize salmon habitat and public benefits through a coordinated watershed approach that corrects state and non-state-owned fish passage barriers.

Revenue Options
Advisory Panel members were asked “What new revenue options and/or revisions to existing revenue options should the State consider?” They were asked to give their perspectives on the options regardless of specific rates, structure, or implementation details. These details will be important to ultimate level of support, especially for any new revenue options that may be pursued.

- **New revenue options**
  - The revenue sources that ranked in the top half of options for 10 or more members were:
    - Carbon pollution fee
    - Road usage charge
    - Electric vehicle (EV) fuel economy rating
    - Air quality surcharge

- **Adjustments to Existing Revenue Options**
  - At least half of the responding Revenue Panel members supported adjustments to four existing options:
    - Fuel tax increase
    - Indexed fuel tax
    - Electric vehicle hybrid fee
    - Rental car tax increase

Investment Priorities
Advisory Panel members were asked to select their top investment priorities from a mix of mode and expenditure investment categories. Areas of agreement were clear.

- **Almost everyone listed maintenance and preservation as a top priority.**
- Highways and bridges were close behind at the top of this list. Bus, rail, active transportation, streets, and roads were prioritized by at least one-third of the group.
- Members also emphasized that transportation decisions need to be approached holistically, recognizing the multimodal and interconnectedness of the state’s network.

Phase I and Phase II Final Reports can be found here:
[https://leg.wa.gov/JTC/Pages/statewideneedsassessment.aspx](https://leg.wa.gov/JTC/Pages/statewideneedsassessment.aspx)
Assessment of rail safety governance in Washington state

JTC Project Manager: Dave Catterson

In 2020, the Legislature directed the JTC to conduct a study to assess rail safety governance in Washington state and to make recommendations to the Legislature on improving rail safety governance by class of rail (freight, intercity passenger, commuter and transit) where applicable.

The JTC contracted with a consultant team lead by CPCS. They began their work in July 2020 and completed the final report in December 2020.

Background
The primary impetus for this study was the December 18, 2017 Amtrak Cascades derailment near DuPont Washington that killed three passengers and injured 57 passengers and crew. The accident occurred on the first revenue service run on a section of track known as the Lakewood Subdivision or the Point Defiance Bypass. The National Transportation Safety Board report on the derailment included recommendations for the various government agencies involved in providing or regulating passenger rail service along this new route identifying shortcomings in safety oversight, coordination, and communication.

The JTC study
The study addresses four key questions:
- What are the roles of federal, state, regional, and local agencies in the State of Washington for rail safety oversight and governance?
- What can be learned from rail safety governance practices in other states and countries?
- What are the gaps and inconsistencies in the state statutory law and administrative rules germane to rail safety oversight?
- How can Washington’s rail safety governance be improved?

Recommendations were developed through a literature review of rail safety legislation, regulation, and practices applicable to Washington state; a jurisdictional scan of effective practices in other states and countries, and consultations with stakeholders involved in rail safety in Washington state.

Key findings
Railroads (intercity passenger, freight, and commuter) and transit (including light rail, streetcars, and monorails) each have different regulatory frameworks:

<table>
<thead>
<tr>
<th></th>
<th>Railroads</th>
<th>Transit</th>
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<tbody>
<tr>
<td><strong>Primary federal regulator</strong></td>
<td>Federal Railroad Administration (FRA)</td>
<td>Federal Transit Administration (FTA)</td>
</tr>
<tr>
<td><strong>Primary state-level regulator</strong></td>
<td>Washington Utilities and Transportation Commission (WUTC)</td>
<td>Washington Department of Transportation, State Safety Oversight Agency (WSDOT SSOA)</td>
</tr>
<tr>
<td><strong>Federal-state relationship</strong></td>
<td>Under the State Safety Participation Program (SSPP), states cooperate with the FRA’s oversight program typically in supporting routine inspections.</td>
<td>The FTA delegates most day-to-day safety oversight activities to the SSOA. The FTA has oversight authority, however, including the ability to withhold FTA funding.</td>
</tr>
</tbody>
</table>
The Washington Department of Transportation (WSDOT) provides capital and operating funding for rail services. WSDOT is neither an operator nor a regulator of railroad safety.

**Federal law pertaining to railroads generally pre-empts state regulations.** Federal railroad law requires nationally uniform railroad laws, regulations, and orders “to the extent practicable.” Federal transit requirements are less prescriptive and do not generally require uniformity of technical standards.

In Washington State, there are a number of strengths of the existing rail safety oversight model:
- Railroad accident metrics have trended at or below national averages over the past 10 years.
- Separation of regulatory (WUTC) and funding (WSDOT) is an effective practice, avoiding a conflict between mandates, i.e. rail safety oversight and service delivery.
- WUTC rail inspector staffing is appropriate given benchmarks from other states, and has developed additional communication protocols with complementary agencies in recent years.

**Key Recommendations**
The consultants recommend maintaining the existing regulatory model in Washington state but identified three key areas where the Legislature could consider strengthening rail safety governance in Washington State:

<table>
<thead>
<tr>
<th>Opportunity for improvement</th>
<th>Rationale</th>
</tr>
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<tbody>
<tr>
<td>Strengthening the role of the WUTC in overseeing system safety of operators across the project lifecycle, including the commissioning of new infrastructure, in cooperation with the Federal Railroad Administration (FRA)</td>
<td>Intentional changes in systems (such as initiating service on new rail infrastructure) can often be the time when accidents occur. Though federal guidance is provided, there is not a regulatory process for the oversight of implementation of new railroads.</td>
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<tr>
<td>Improving awareness of the roles of stakeholders involved in rail safety (oversight bodies, operators, and other stakeholders), engaging all rail safety stakeholders in regular conversation, and increasing communication of the state of rail safety.</td>
<td>Agency roles are not universally understood by all stakeholders with roles to play in rail safety. There is room for improvement regarding regular communication by regulators with other stakeholders. Safety data is also not readily accessible as information to inform decision-making and ensure accountability to the public.</td>
</tr>
<tr>
<td>Continue to focus on addressing safety of at-grade crossings</td>
<td>At-grade crossing accidents remain persistent. Crossings blocked by trains are an increasing concern.</td>
</tr>
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The final report includes 15 recommendations, including recommendations to ensure adequate resources are provided for successful implementation and to avoid detracting from existing safety functions.

The final report can be found here: [https://leg.wa.gov/JTC/Pages/RailSafetyStudy.aspx](https://leg.wa.gov/JTC/Pages/RailSafetyStudy.aspx)
Feasibility of a private auto ferry between Washington state and Vancouver Island B. C.

JTC Project Manager: Paul Neal

In 2020 the Legislature directed the JTC to study the feasibility of allowing a private ferry system to provide ferry service between Washington state and Vancouver Island.

The JTC hired a team of consultants to conduct the study. The team included KPFF Engineering, Progressions, Community Attributes Inc., Elliot Bay Design Group, Collier Walsh Nakazawa, and Norton Rose Fulbright. The team began their work in June 2020 and completed the final report in December 2020.

Background
Washington State Ferries (WSF) currently provides service between Anacortes, the San Juan Islands and Sidney, B.C. on Vancouver Island. Because it crosses into Canada, vessels serving the Sidney run must comply with the Coast Guard’s Safety of Life at Sea (SOLAS) regulations. Two of the boats in WSF’s fleet meet SOLAS requirements. One of those boats, the Elwha, was decommissioned because of significant preservation costs.

This study examined the feasibility of bringing in a private ferry operator to provide service between Washington and Vancouver Island and potential economic impacts of privatization.

The JTC hired a team of consultants to conduct the study. The team included KPFF Engineering, Progressions, Community Attributes Inc., Elliot Bay Design Group, Collier Walsh Nakazawa, and Norton Rose Fulbright.

Key Findings

- **Feasibility:** Private ferry service from Washington to Vancouver Island is feasible.
  - Federal and State legal requirements can be satisfied.
  - Fares would be higher than those currently charged by WSF.
  - Private ferry service operators have expressed interest in providing the service.
  - A private operator would likely use a foreign flag vessel, therefore, it is unlikely the private operator would provide service to the San Juan Islands.
  - Any private operator would have to comply with the same regulatory requirements as the current service.

- **Economic Impact:**
  - **WSF.** Even if the Sidney Route is privatized, WSF still needs to replace the MV Elwha or face a high risk of system-wide service disruption. Privatizing Anacortes to Sidney service would have a relatively minor impact on WSF funding needs over the next 20 years.
  - **Anacortes/Fidalgo Island.** Anacortes/Fidalgo Island could experience negative economic impact if a 42-car vessel provided service or a positive economic impact with a 80-car vessel. Establishing a private international ferry terminal in Bellingham would have a negative economic impact on Anacortes/Fidalgo Island and a positive impact on Bellingham.
  - **San Juan Islands.** Without service to the San Juan Islands, San Juan County would lose a direct ferry connection to Sidney resulting in a negative economic impact with privatization.
  - **Regional Maritime Jobs.** While WSF is assumed to lose one position year-round and a full crew in the summer, private service could create additional maritime jobs that may be non-union or unionized labor.

The final report is available here: https://leg.wa.gov/JTC/Pages/PrivateAutoFerry.aspx