

Multiple Agency Fiscal Note Summary

Bill Number: 5749 SB	Title: Rail safety governance/UTC
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Utilities and Transportation Commission	0	0	1,686,726	0	0	3,373,452	0	0	3,373,452
Total \$	0	0	1,686,726	0	0	3,373,452	0	0	3,373,452

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Fiscal note not available					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of Financial Management	.0	0	0	0	.0	0	0	0	.0	0	0	0
Utilities and Transportation Commission	7.1	776,335	776,335	2,463,061	12.3	261,680	261,680	3,635,132	12.3	261,680	261,680	3,635,132
Department of Transportation	(3.0)	0	0	(1,060,000)	(6.0)	0	0	(2,120,000)	(6.0)	0	0	(2,120,000)
Total \$	4.1	776,335	776,335	1,403,061	6.3	261,680	261,680	1,515,132	6.3	261,680	261,680	1,515,132

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Financial Management	.0	0	0	.0	0	0	.0	0	0
Utilities and Transportation Commission	.0	0	0	.0	0	0	.0	0	0
Department of Transportation	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

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Prepared by: Tiffany West, OFM	Phone: (360) 890-2653	Date Published: Preliminary 2/24/2023
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Individual State Agency Fiscal Note

Bill Number: 5749 SB	Title: Rail safety governance/UTC	Agency: 105-Office of Financial Management
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Jenna Forty	Phone: 360-786-7755	Date: 02/18/2023
Agency Preparation: Keith Thunstedt	Phone: 360-810-1271	Date: 02/23/2023
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 02/23/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/23/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 2 gives the Utilities and Transportation Commission (UTC) safety oversight of rail fixed guideway public transportation systems within the state, to the extent permitted by federal law.

Section 2 (8) directs UTC to examine implementation of a gross revenue fee for class I, II and III rail carriers operating within Washington State. Recommendations for a proposed fee, with revenue estimates and related funded programs, are due to the legislature and OFM by December 1, 2023.

There is no fiscal impact to OFM; any involvement can be completed within current resources and processes.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 5749 SB	Title: Rail safety governance/UTC	Agency: 215-Utilities and Transportation Commission
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Multimodal Transportation Account-State 218-1		337,345	337,345	674,690	674,690
Multimodal Transportation Account-Federal 218-2		1,349,381	1,349,381	2,698,762	2,698,762
Total \$		1,686,726	1,686,726	3,373,452	3,373,452

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	14.1	7.1	12.3	12.3
Account					
General Fund-State 001-1	307,995	468,340	776,335	261,680	261,680
Multimodal Transportation Account-State 218-1	0	337,345	337,345	674,690	674,690
Multimodal Transportation Account-Federal 218-2	0	1,349,381	1,349,381	2,698,762	2,698,762
Total \$	307,995	2,155,066	2,463,061	3,635,132	3,635,132

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Jenna Forty	Phone: 360-786-7755	Date: 02/18/2023
Agency Preparation: Amy Andrews	Phone: 360-481-1335	Date: 02/23/2023
Agency Approval: Amy Andrews	Phone: 360-481-1335	Date: 02/23/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 02/24/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 2: This section includes the expansion of the Commission's authority over railroad safety, with the addition of rail fixed guideway systems in the areas of new and materially changed operations, and oversight of the safety management practices. The Commission does not currently have expertise in these areas for light rail or passenger rail. New subsections (1)(a) and (1)(b) contain the limiting clauses "as permitted by federal law," and "to the extent permitted by federal law." The Commission will need to coordinate with WSDOT and Amtrak to facilitate oversight of passenger rail service.

This section also includes expansion of the Commission's existing Rail Safety program to include supplementation of the Federal Railroad Administration's (FRA) bridge inspection program. The Commission currently does not have expertise in this area and will need to recruit and train new staff to complete this work.

The Commission will need to define a formal process for railroad and transit regulators to be involved in the Commissioning process for new or materially changed infrastructure.

The Commission will need to produce an annual report on the state of rail safety to the Legislature. Section 2 also requires the Commission to conduct outreach, communication, and collaboration with stakeholders.

The Commission will also need to examine implementation of a gross revenue fee and identify rail safety or inspection programs at the Commission that could be supported by the proposed fee collection.

Staff Assumptions: While the new subsections confer broad regulatory oversight authority on the Commission, the limiting clauses suggest that some subjects that would otherwise be included in the grant of regulatory authority are subject to federal preemption challenges. A comprehensive legal analysis of federal preemption in this area is necessary.

Commission staff anticipates the need for additional staff and resources to take on bridge inspection activities, produce the annual report, take on administrative functions, conduct stakeholder outreach and communication, and complete a complex rulemaking to implement the new requirements, including defining the formal process for railroad and transit regulators to be involved in the commissioning process for new or materially changed infrastructure.

The Commission will also need to hire a consultant to examine the implementation of the gross revenue fee as outlined in the bill to provide recommendations to the transportation committees and OFM as required by the December 1, 2023, deadline.

Sections 3 and 4: Sections 3 and 4 of the bill replace WSDOT with the Commission as the designated rail safety oversight agency.

Staff Assumptions: The bill moves all State Safety Oversight (SSO) for rail safety governance from WSDOT to the Commission. This change transfers the federal apportionment and appropriations to the Commission, as well as the 6 FTE currently assigned to this program. The Commission assumes that existing WSDOT program staff will transfer to the Commission along with the program. The expenditure impact is derived from WSDOT's fiscal note. WSDOT anticipates increasing staff for the SSO program to handle increased workload from Sound Transit's expansion of light rail operations. However, these costs are not reflected in this fiscal note. The Commission will evaluate the need for this additional staff and submit a decision package for the 2024 Supplemental Budget, as necessary. The additional staffing ensures ongoing compliance with federal requirements and fulfills the Federal Transit Administration's (FTA) expectations. Compliance with federal requirements under the SSO program is essential to ensure the flow of FTA dollars to the state, not just for this program.

Additionally, WSDOT uses state appropriations (toll credit) to provide the 20% required match and any federally non-participating costs. According to WSDOT's fiscal note, the FY23 federal apportionment is \$1,349,381. The federal apportionment is 80% of total costs. The remaining 20% must be matched by state funds. The FY23 state fund 20% match

is \$337,345, for a total program cost of \$1,686,726. The Commission will need the authority to use toll credit or a comparable funding source for the match and additional state funds to support federally ineligible charges. Without this funding, the Commission will not be able to administer the program.

WSDOT also uses its own state appropriations to supplement the SSOA program while providing administrative services (fiscal, contracting, etc.). WSDOT uses its familiarity with FTA programs to achieve efficiencies of scale. (This familiarity does not currently exist at the Commission.)

In addition to expenditures the associated with the existing program at WSDOT, Commission staff anticipates training costs for staff, administrative costs to the agency and the Rail Safety program (e.g., information technology, financial, legal, and contracting services), as well as additional staff to conduct and perform the new functions as the rail safety oversight agency and to conduct bridge inspections.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Cash receipts are assumed based on current WSDOT funding. The existing funding is comprised of federal funding and an additional 20 percent state share from the multimodal account. The FY23 federal apportionment at WSDOT is \$1,349,381. The federal apportionment is 80% of total costs. The remaining 20% must be matched by state funds. The FY23 state fund 20% match is \$337,345, currently funded by toll credits, for a total program cost of \$1,686,726.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Expenditures would be broken out into the following general activity categories with the associated costs, positions and hours included:

Category 1: State Safety Oversight Agency Transfer (Sections 3-11)

\$1,033,511

Annually beginning in FY25

(State Safety Oversight Administrator - WMS Band 3, 1.0 FTE; Transportation Planning Specialist 5, 5.0 FTE)

Category 2: Commission Implementation/Ongoing Safety Activities for New SSOA Program

\$750,294

Annually beginning in FY25

(Transportation Engineer 5, 1.0 FTE; Transportation Engineer 3, 3.0 FTE; Transportation Planning Specialist 3, 1.0 FTE; Transportation Specialist 3, 1.0 FTE)

Category 3: Complex Rulemaking

\$143,979

– One-time Cost in FY25

(Administrative Law Judge, 0.17 FTE; Director, Transportation Safety, 0.05 FTE; Policy Advisor, 0.13 FTE; Rail Safety Operations Manager, 0.13 FTE; Transportation Engineer 5, 0.31 FTE)

Category 4 & 5: Information Technology Support

\$188,618 in FY25 and \$33,761

Annually Thereafter

(IT Application Developer/Journey, 1.0 FTE first year, 0.25 FTE annually thereafter; 1 IS Project Manager, 0.25 FTE first year; IT App Development/Manager, 0.10 FTE first year)

Category 6: AGO Preemption Analysis
 \$57,995 in FY24 and \$38,664 in FY25
 Costs are listed under Object E

Category 7: Consultant Fees – Gross Revenue Fee Evaluation
 \$250,000 – One-time Cost in FY24

The UTC does not have the financial resources to complete this work without both the indicated expenditure authority and corresponding revenue. Only providing for the expenditure authority does not increase the regulatory fee assessed to the companies regulated by the UTC. We request that if this bill is passed the funding be provided by the Multimodal Account and General Fund-State until such time as regulatory fees are legislatively increased to support the agency’s full expenditure authority and maintain adequate fund balance in the Public Service Revolving Account.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	307,995	468,340	776,335	261,680	261,680
218-1	Multimodal Transportation Account	State	0	337,345	337,345	674,690	674,690
218-2	Multimodal Transportation Account	Federal	0	1,349,381	1,349,381	2,698,762	2,698,762
Total \$			307,995	2,155,066	2,463,061	3,635,132	3,635,132

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		14.1	7.1	12.3	12.3
A-Salaries and Wages		1,418,076	1,418,076	2,433,432	2,433,432
B-Employee Benefits		496,326	496,326	851,700	851,700
C-Professional Service Contracts	250,000	125,000	375,000	250,000	250,000
E-Goods and Other Services	57,995	65,664	123,659		
G-Travel		50,000	50,000	100,000	100,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	307,995	2,155,066	2,463,061	3,635,132	3,635,132

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administrative Law Judge	119,088		0.2	0.1		
Director, Transportation Safety	120,600		0.1	0.0		
IS Project Manager	107,676		0.3	0.1		
IT App Development - Journey	100,032		1.0	0.5	0.3	0.3
IT App Development - Manager	127,656		0.1	0.1		
Policy Advisor	100,008		0.1	0.1		
Rail Safety Operations Manager	98,412		0.1	0.1		
State Safety Oversight Administrator	144,000		1.0	0.5	1.0	1.0
Transportation Engineer 3	91,524		3.0	1.5	3.0	3.0
Transportation Engineer 5	111,552		1.3	0.7	1.0	1.0
Transportation Planning Specialist 3	85,020		1.0	0.5	1.0	1.0
Transportation Planning Specialist 5	103,572		5.0	2.5	5.0	5.0
Transportation Specialist 3	58,704		1.0	0.5	1.0	1.0
Total FTEs			14.1	7.1	12.3	12.3

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

To implement the provisions the bill, the Commission will conduct a complex rulemaking in FY25 to create a new chapter in WAC 480-62.

Individual State Agency Fiscal Note

Bill Number: 5749 SB	Title: Rail safety governance/UTC	Agency: 405-Department of Transportation
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	(6.0)	(3.0)	(6.0)	(6.0)
Account					
Multimodal Transportation Account-Federal 218-2	0	(1,060,000)	(1,060,000)	(2,120,000)	(2,120,000)
Total \$	0	(1,060,000)	(1,060,000)	(2,120,000)	(2,120,000)

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Jenna Forty	Phone: 360-786-7755	Date: 02/18/2023
Agency Preparation: Cheryl Steben	Phone: 360-705-7919	Date: 02/23/2023
Agency Approval: Brian Lagerberg	Phone: 360-705-7878	Date: 02/23/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 02/24/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

See attached WSDOT fiscal note.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
218-2	Multimodal Transportation Account	Federal	0	(1,060,000)	(1,060,000)	(2,120,000)	(2,120,000)
Total \$			0	(1,060,000)	(1,060,000)	(2,120,000)	(2,120,000)

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		(6.0)	(3.0)	(6.0)	(6.0)
A-Salaries and Wages		(675,000)	(675,000)	(1,350,000)	(1,350,000)
B-Employee Benefits		(235,000)	(235,000)	(470,000)	(470,000)
C-Professional Service Contracts		(125,000)	(125,000)	(250,000)	(250,000)
E-Goods and Other Services		(15,000)	(15,000)	(30,000)	(30,000)
G-Travel		(10,000)	(10,000)	(20,000)	(20,000)
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	(1,060,000)	(1,060,000)	(2,120,000)	(2,120,000)

III. C - Operating FTE Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Transportation Planning Specialist 5	106,158		(5.0)	(2.5)	(5.0)	(5.0)
WMS 3	145,000		(1.0)	(0.5)	(1.0)	(1.0)
Total FTEs			(6.0)	(3.0)	(6.0)	(6.0)

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Public Transportation (V)		(1,060,000)	(1,060,000)	(2,120,000)	(2,120,000)
Total \$		(1,060,000)	(1,060,000)	(2,120,000)	(2,120,000)

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

See attached WSDOT fiscal note.

Individual State Agency Fiscal Note

Bill Number: 5749SB	Title: Enhancing Rail Safety Governance	Agency: 405-Department of Transportation
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Part I: Estimates

Check applicable boxes and follow corresponding instructions, use the fiscal template table provided to show fiscal impact by account, object, and program (if necessary), **add rows if needed**. If no fiscal impact, check the box below, skip fiscal template table, and go to Part II to explain briefly, why the program believes there will be no fiscal impact to the department.

- No Fiscal Impact (Explain in section II. A)
If a fiscal note is assigned to our agency, someone believes there might be, and we need to address that, showing why there is no impact to the department.
- Indeterminate Cash Receipts Impact (Explain in section II. B)
- Indeterminate Expenditure Impact (Explain in section II. C)

- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, **complete entire fiscal note form Parts I-V**
- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, **complete entire fiscal note form Parts I-V**
- Capital budget impact, **complete Part IV**
- Requires new rule making, **complete Part V**
- Revised

Dollars in Thousands

		2023-25 Biennium		2025-27 Biennium		2027-29 Biennium	
Expenditures		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
218-2 MULTIMODAL TRANSPORTATION ACCOUNT		\$0	(\$1,060)	(\$1,060)	(\$1,060)	(\$1,060)	(\$1,060)
Total Expenditures		\$0	(\$1,060)	(\$1,060)	(\$1,060)	(\$1,060)	(\$1,060)
Biennial Totals		(\$1,060)		(\$2,120)		(\$2,120)	
FTEs		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
WMS3	Salary \$145,000		(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Transportation Planning Specialist 5			(5.0)	(5.0)	(5.0)	(5.0)	5.0
Annual Average		(3.0)		(6.0)		(1.0)	
Objects of Expenditure		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A - SALARIES AND WAGES			(\$675)	(\$675)	(\$675)	(\$675)	(\$675)
B - EMPLOYEE BENEFITS			(\$235)	(\$235)	(\$235)	(\$235)	(\$235)
C - PROFESSIONAL SERVICE CONTRACTS			(\$125)	(\$125)	(\$125)	(\$125)	(\$125)
E - GOODS AND SERVICES			(\$15)	(\$15)	(\$15)	(\$15)	(\$15)
G - TRAVEL			(\$10)	(\$10)	(\$10)	(\$10)	(\$10)
Expenditures by Program		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
PROGRAM V			(\$1,060)	(\$1,060)	(\$1,060)	(\$1,060)	(\$1,060)

The cash receipts and expenditure estimates on this fiscal template represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Agency Assumptions

N/A

Agency Contacts:

Preparer: Cheryl Steben, Business Analyst	Phone: 360-705-7919	Date: 2/22/2023
Approval: Brian Lagerberg, Public Transportation Director	Phone: 360-705-7878	Date: 2/22/2023
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Individual State Agency Fiscal Note

Part II: Narrative Explanation

II. A - Brief description of what the measure does that has fiscal impact.

Briefly describe by section number (sections that will change WSDOT costs or revenue), the significant provisions of the bill, and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency.

Section 2(1)(b) states "The department of transportation shall coordinate with the commission and Amtrak to facilitate the oversight of state passenger rail service to the extent permitted under federal law."

Section 4(1) - Moves the governance of the State Rail Safety Oversight (SSO) program from WSDOT to the Utilities and Transportation Commission (UTC). This move will reduce the federal appropriations to WSDOT and transfers the federal apportionment and appropriations to UTC and assumes reassignment of the 6 FTEs assigned to this program at WSDOT.

Sections 3 through 10 remove reference to the department and replaces it with commission or state safety oversight agency.

Sections 11-12 outline what the UTC needs to do before January 1, 2026.

Section 13 specifies the effective dates of Sections 4 through 10, and 15 is upon receipt of the notice required by Section 12 if the receipt occurs after January 1, 2026. If receipt of the notice required by Section 12 occurs on or before January 1, 2026, then Sections 4 through 10, and 15 will take effect January 1, 2026.

Section 14 specifies the effective dates of 1-3, 12, 13 as July 1, 2024.

II. B – Cash Receipts Impact

None.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

The program's federal fiscal year apportionment grew from \$774,302 in federal fiscal year 2021 to \$1,312,566 in federal fiscal year 2022 and \$1,349,381 in federal fiscal year 2023. It is anticipated that the federal program apportionment will continue to grow as more track miles are constructed in Washington State.

This change will reduce the federal appropriations to WSDOT and transfers the federal apportionment and appropriations to UTC. It is assumed that all state safety oversight duties of the 6 FTEs currently employed by WSDOT to support the SSO program will move over to UTC. The 6 FTEs are in King County within reasonable proximity from the rail operators to ensure better response time. Additional FTEs will need to be added by the UTC to conduct field inspections of rail tracks. WSDOT uses its own state appropriations to supplement the program while providing administrative services (fiscal, contracting, etc.).

The department is currently using toll credit authority to provide the 20% federally required match as well as, additional state appropriation to cover the federally non-participating costs. The UTC will need the authority to use toll credit for the match and additional state funds to support federally ineligible charges.

WSDOT uses consultants to assist with various aspects of the program such as updating the program standards, conducting audit reviews, and responding to rail incidents as they occur. Additional consultant costs are anticipated to comply with the new requirements introduced in the bill. Compliance under the SSO program is essential to ensure the flow of Federal Transit Administration (FTA) dollars to the state.

Individual State Agency Fiscal Note

The expenditures that will be reduced by WSDOT by transferring the governance to UTC is the salary and benefits, support costs and personal service contract.

In reference to Section 2(1)(b) WSDOT, Amtrak, and the commission already coordinate on state passenger rail safety and oversight so this will not add any fiscal impacts to Program Y.

Part III: Expenditure Detail

III. A - Expenditures by Object or Purpose

See table above.

1.0 FTE WMS Band 3 – State Safety Oversight Administrator \$144,000 annual salary and \$45,696 benefits. Funding for this position would end June 30, 2024.

Essential job functions impacts to WSDOT:

- Overseeing public transportation system safety in Washington state as Federal Transit Administration State Safety Oversight Agency.
- Strategically developing and implementing WSDOT’s safety oversight responsibilities, which include directives, policies, protocols, programs, and procedures for each rail transit agency in Washington State jurisdiction.
- Responsibility for light rail transit safety, public transportation asset management, and transit bus safety.

5.0 FTE Transportation Planning Specialist 5 - \$106,158 annual salary and \$37,801 benefits. Funding for these positions would end June 30, 2024.

The essential job functions impacted by this bill to WSDOT are:

- Performing professional evaluations of Rail Transit Agencies to ensure they meet the requirements of federal and state regulations. This includes reviewing, approving, overseeing, and enforcing implementation of that agency’s safety plan.
- Certified safety expertise and consultation to Rail Transit Agencies in light rail safety, protocols, policies, practices, procedures, and methods used by rail fixed guideway.
- Continual assessment and reinforcement of agencies’ compliance with safety standards, processes and procedures included in their safety plans.
- Evaluates agencies for hazards, corrective actions, and mitigation effectiveness to save lives, prevent property damage, and maintain public confidence.

Professional Services Contracts – \$125,000 - This contract would end June 30, 2024.

- Review and update state safety standards, conduct audits on light rail operators, review FTA audit findings, and assist with incident response when they occur.

Goods and Services – \$15,000 - These expenditures will end June 30, 2024.

- Purchase of safety equipment, training, certification, required tools, and other related items.

Travel – \$10,000 - These expenditures would end June 30, 2024.

- Inspections, meetings, training.

Part IV: Capital Budget Impact

N/A

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

SECTION 11(a) New rule making will need to occur at the Utilities and Transportation Commission to ensure compliance with program requirements.