Transportation 101

Moving People and Goods

Washington State Transportation Commission

Fall 2011

Overall Transportation Funding

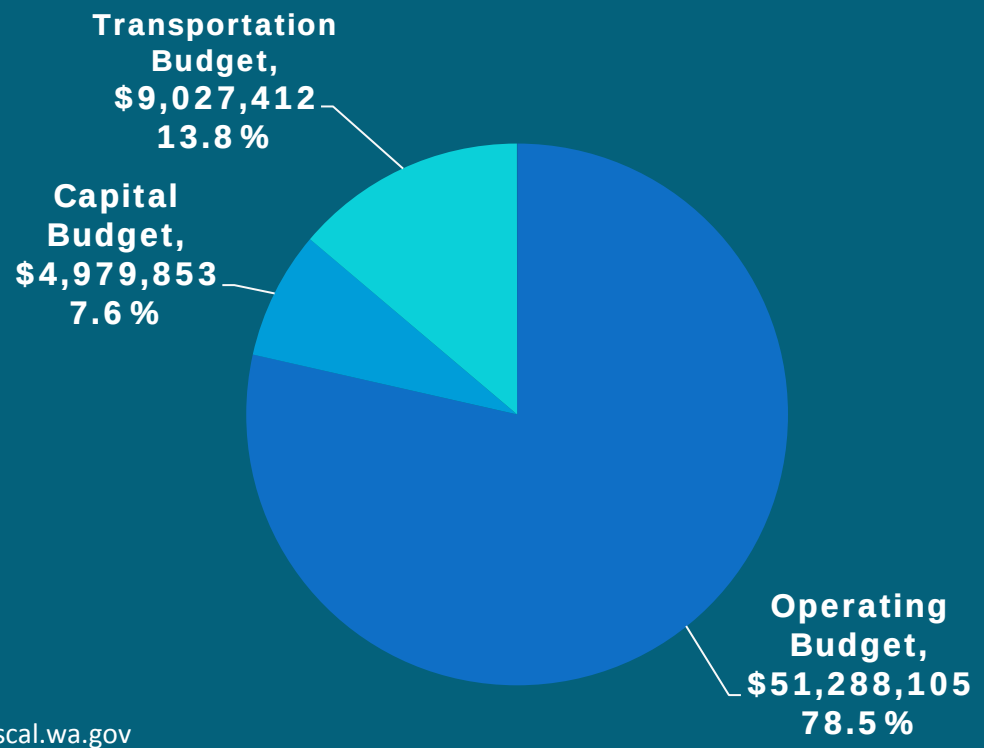
How much is being invested in transportation today?

- 2011-13 Washington State Transportation Budget: $9.0 billion for the biennium
- Annual county, city and transit investment statewide from local sources: over $3 billion

Other current transportation spending

- In 2008, Washington citizens and businesses spent over $16 billion on gasoline and diesel fuel.
- In 2010, new car sales in the state totaled $9.4 billion.
- Washington citizens spend about 4 times as much on transportation as state and local government.

Transportation Infrastructure is Less Than 14% of the State Budget*



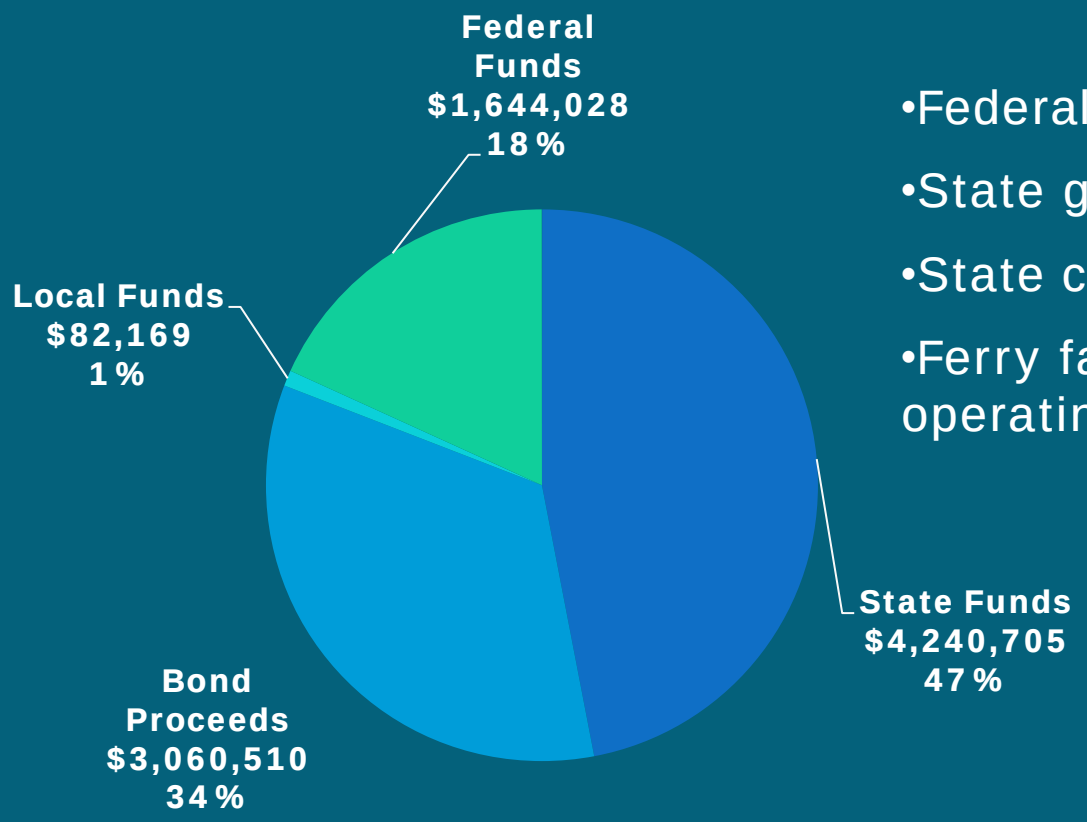
Source: fiscal.wa.gov

2011-13 State Budget -- $65.3 Billion

*Not all of the Transportation Budget builds infrastructure or moves people and goods. It also includes funding for the Washington State Patrol, the Department of Licensing and other transportation agencies.

Where Does the State Transportation Budget Come From?

2011-13 Enacted Transportation Budget • $9.0 billion



- Federal gas tax =18.4¢ per gallon
- State gas tax = 37.5¢
- State car and truck weight fees
- Ferry fares pay for 65% to 70% of operating costs

Source: fiscal.wa.gov

City Transportation

- Cities and towns have 18,046 miles of streets
- 70% of cities' transportation funding comes from local revenue sources, largely sales tax
- 11% of cities' transportation revenue is federal funds
- 19% of cities' transportation revenue comes from state
  - primarily 2.96¢ of state gas tax
  - grants from Transportation Improvement Board and Freight Mobility Strategic Investment Board

County Transportation

- Counties have 39,748 miles of roads in unincorporated areas
- About 62% of counties' transportation funding is locally generated, primarily from the county road share of the property tax
- 11% of counties' transportation revenue is federal funds
- About 27% of counties' transportation funding comes from state revenues
  - 4.92¢ of gas tax
  - grants and distributions from County Road Administration Board
  - grants from Transportation Improvement Board and Freight Mobility Strategic Investment Board

Transit

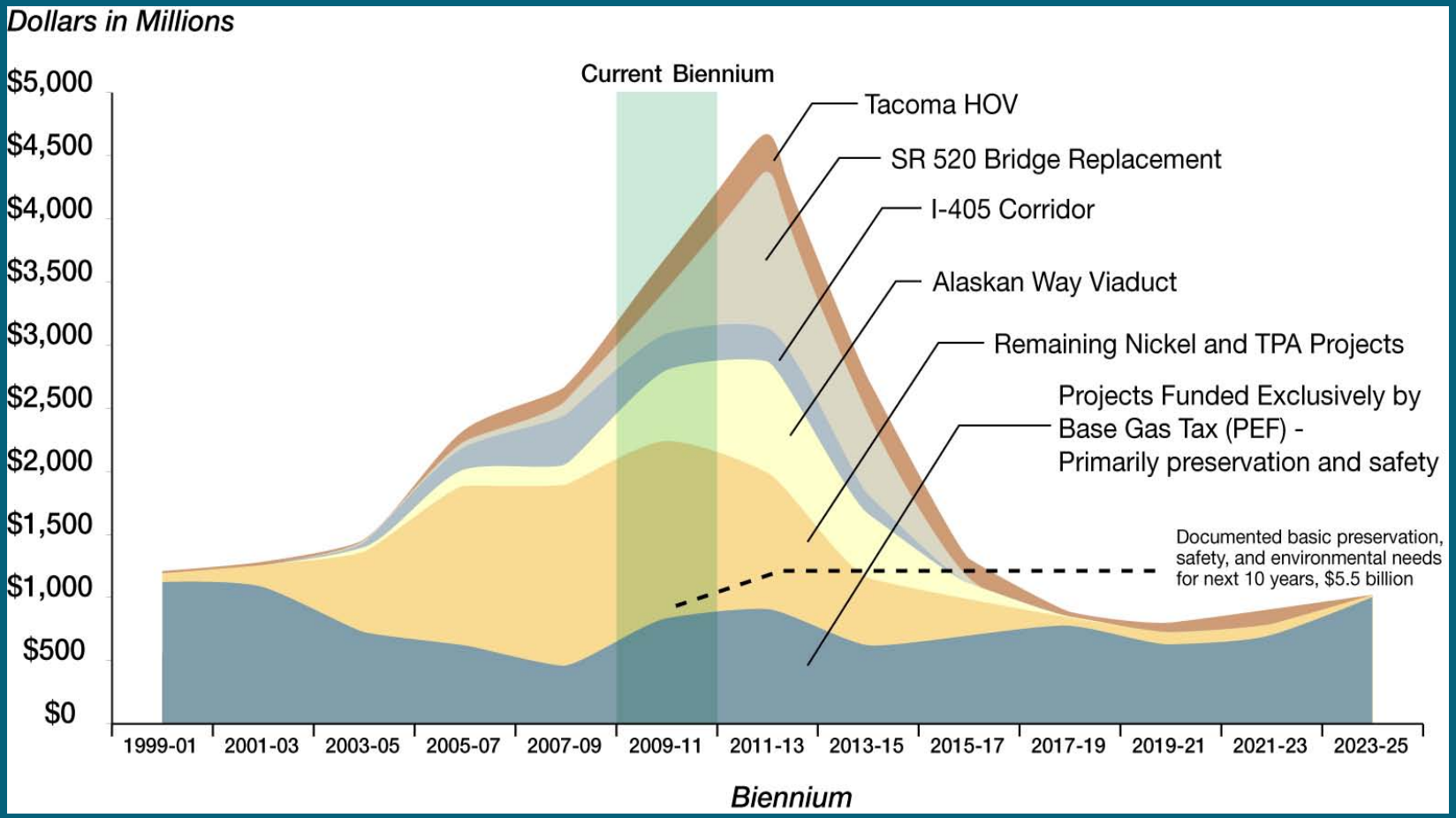
- **31 operating transit agencies**
- **Most local transit service revenue comes from:**
  - Locally-approved sales tax
  - Fare box receipts
  - Federal grants
- **State money mostly limited to special needs transit and Commute Trip Reduction programs.**
- **Federal funds also provide an Intercity Bus Network to supplement private bus service.**

Ports

- 75 port districts in 33 of 39 counties
- Ports can engage in both transportation and economic development
  - Marine shipping
  - Airports
  - Industrial infrastructure
  - Marinas
- Port revenue comes from user fees, leases, property tax and federal grants

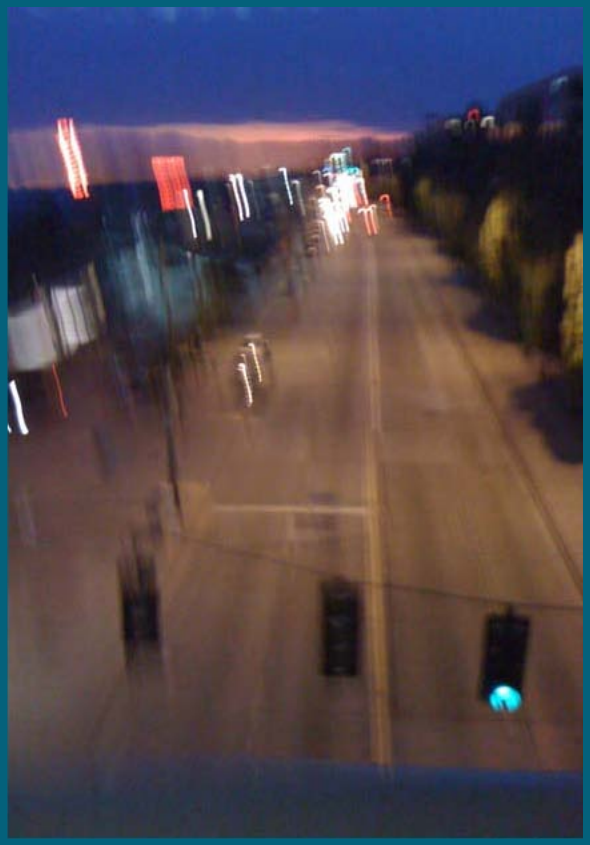
What does the Future Bring?

State transportation spending peaks in the 2011-13 biennium and then drops off quickly.



Washington Transportation Plan 2030

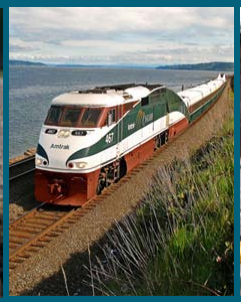
- A comprehensive and balanced statewide transportation policy plan reflecting the multi-faceted needs of the state's transportation system
- WTP 2030 is intended to guide investment and other transportation decisions
- A transitional plan, crafted at the beginning of a new era
- Federal transportation policy is evolving and fuel tax revenue is declining



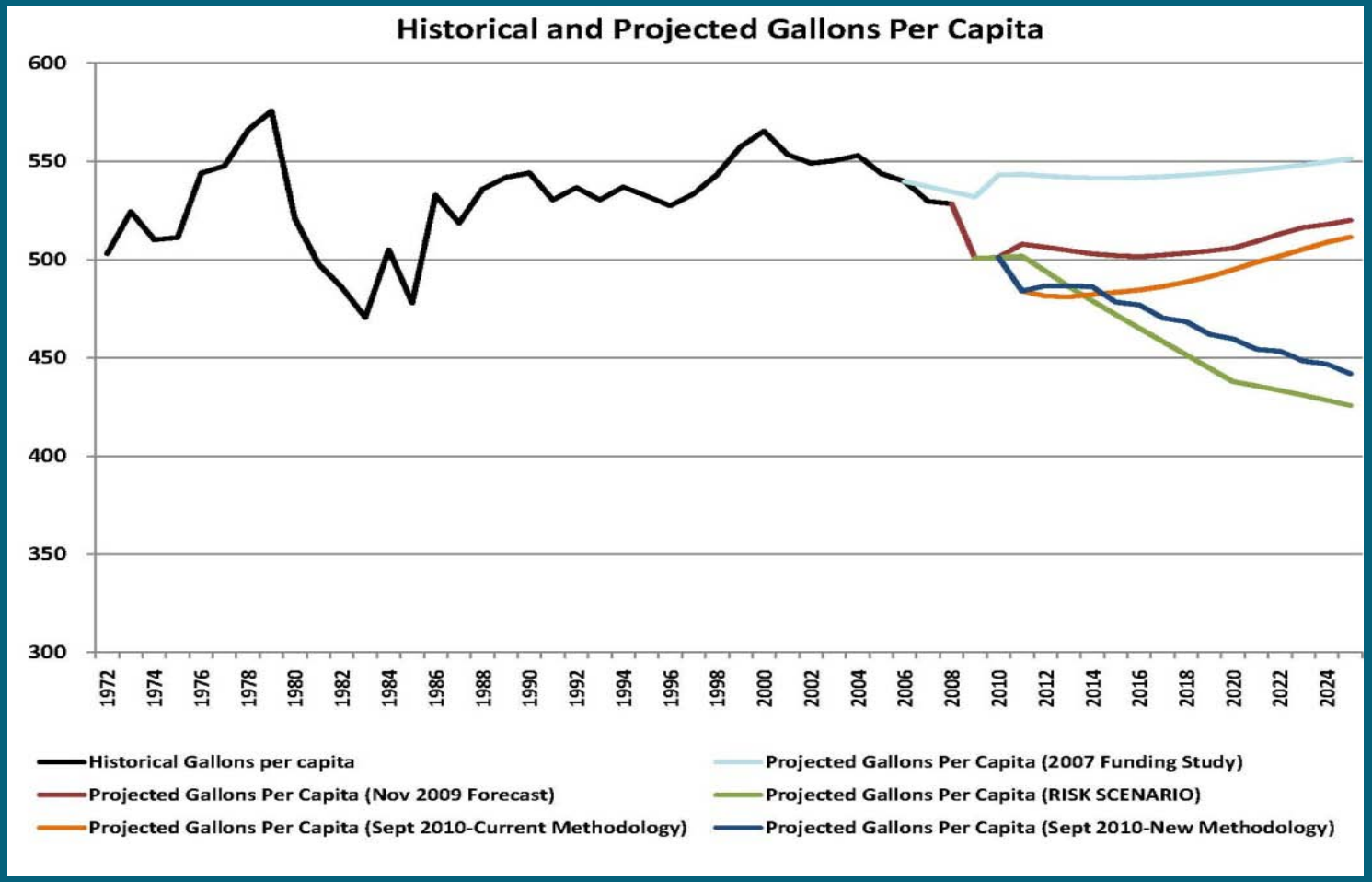
WTP2030

CONNECTING WASHINGTON
COMMUNITIES FOR A PROSPEROUS FUTURE

- By conservative estimates, at least $175 to $200 billion is needed to meet statewide needs over the next 20 years.
- Of that total, county need is estimated at nearly $41 billion and city need at almost $29 billion.
- Statutory Investment Priorities *(RCW 47.04.280)*:
  - Economic Vitality
  - Preservation
  - Safety
  - Mobility
  - Environment
  - Stewardship

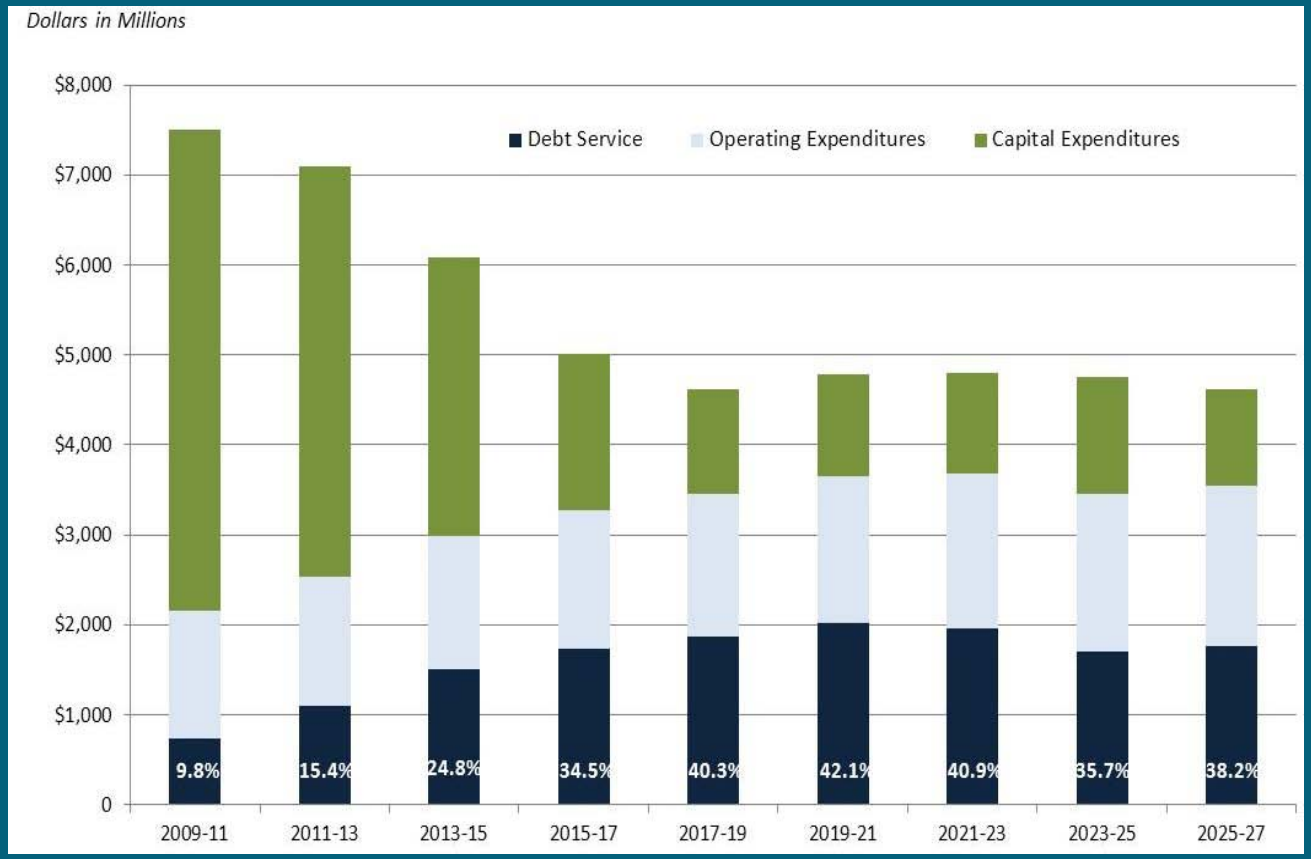


Gas Tax Revenue: An Uncertain Future



Debt Service is Growing

Debt Service is a Significant Share of the Transportation Budget and Legislative 16-year Financial Plan



Big Ideas in WTP 2030

- Our top priority must be to **maintain the capacity of the existing transportation system**.
- **Mobility** of people and goods is critical to our economy.

Big Ideas in the Plan

- Establishing a **stable funding mechanism** is essential to continued mobility and the economic health and quality of life that come from an integrated and connected transportation network.
- **Ensuring environmental sustainability** by reducing emissions and mitigating transportation-related impacts is important to maintaining the quality of life in our state.
- **Performance outcome measures** are essential to ensure value for dollars spent.

Goal: Economic Vitality

To promote and develop transportation systems that stimulate, support and enhance the movement of people and goods to ensure a prosperous economy

A. **Improve Washington's Economic Competitiveness**
B. **Strengthen Connectivity of People and Communities**
C. **Support the Coordinated, Connected, and Efficient Movement of Freight & Goods**
D. **Invest in the State's Aviation System**
E. **Ensure the Ability to Build and Expand Essential Public Facilities**

Goal: Preservation

To maintain, preserve and extend the life and utility of prior investments in transportation systems and services

A. **Focus on Preserving the Existing State and Local Transportation Network**
B. **Explore New Funding Strategies for Public Transportation**
C. **Invest in Preservation of Ferry Vessels and Terminal Infrastructure**

Goal: Safety

To provide for and improve the safety and security of transportation customers and the transportation system

A. **Foster Implementation of Comprehensive Safety Strategies Across All Jurisdictions and Transportation Modes**
B. **Continue to Plan and Engineer Projects for Safety**
C. **Encourage Inter-Agency Collaboration and Cooperation on Emergency Preparedness and Response**

Goal: Mobility

To improve the predictable movement of goods and people throughout Washington State

A. **Support Mobility Options to Help Communities Meet the Public's Travel Needs**
B. **Improve Connectivity to Facilitate Travel Across Modes and Communities**
C. **Strategically Prepare to Meet the Needs of an Aging Population**
D. **Support Transportation for Special Needs Populations**

Goal: Environment

To enhance Washington's quality of life through transportation investments that promote energy conservation, enhance healthy communities, and protect the environment

A. **Transportation Investments Should Support Healthy Communities**
B. **Manage The Transportation System To Foster Environmental Sustainability**
C. **Accelerate Clean Transportation Options**

Goal: Stewardship

To continuously improve the quality, effectiveness, and efficiency of the transportation system

A. **Continue to Implement Performance Measures to Ensure Accountability**
B. **Leverage Available Technologies to Maximize efficiency in the Transportation System**
C. **Support Tolling as a User-Based Funding Mechanism**
D. **Review Regulations That Require the Same Standard and performance Level for All Transportation Improvements**
E. **Strengthen the Integration Between Land Use and Transportation Decision-making**
F. **Address Tribal Transportation Needs**

Funding Recommendations

The Commission endorses near-term revenue recommendations from the 2009 Joint Transportation Committee report including:

- *Increase the motor vehicle fuel tax through indexing or other means*
- *Increase licensing and permit fee revenues*
- *Increase weight fees*
- *Adopt fees for electric and other high mileage vehicles*

Some of these fee increases were introduced in the 2011 Legislature. They were not adopted.

Funding Recommendations

The Commission supports additional **local funding options** recommended by a 2009 JTC report. Although those recommendations did not address revenue needs of transit, the Commission recommends the Legislature provide additional revenue authority for transit operations and capital.

Fund **long-term ferry capital needs** with a vehicle excise tax or similar source, at a rate that eliminates the need for administrative transfers.

Increase **ferry fares** and other operating revenues to close the operating gap and impose ferry fuel surcharges when warranted.

Transportation Funding Options

Supplement Gas Tax Revenues with Tolling

- Build a project
- Manage traffic
- Build a project and manage traffic
- Manage a transportation corridor

Tolling to Build a Project

- Tacoma Narrows Bridge
  Project Cost: $735 million
- Toll Revenue makes bond payments and finances maintenance and operations
- Toll Rates for car:
  Good to Go: $2.75
  Cash: $4.00
- Transit not exempt

Tolling to Manage Traffic

SR 167 Pilot Project:

High Occupancy Toll Lanes using dynamic Tolling.

- Rates reflect traffic in HOV and general purpose lanes.
- Speeds increased by 11% in GP lanes.

Average toll:

Less than $1.00

Tolling to Build a Project and Manage Traffic

SR 520 Replacement/HOV

- New floating bridge
- Extends HOV lanes from I-5 to SR 202

Project Cost: $4.65 billion

Variable Tolls

Weekday peak: $3.50 ETC/$5 pay by mail

No tolls 11 pm – 5 am

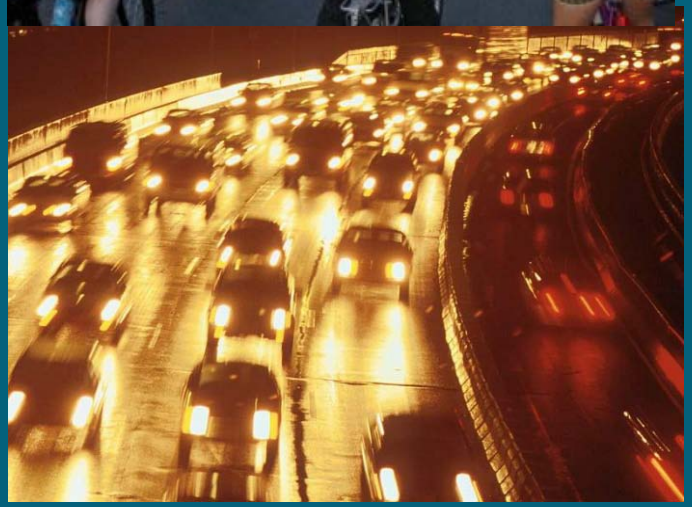
Exempt from tolls:

registered vanpools and transit

Tolling to Manage a Transportation Corridor

Not currently used in Washington.

Tolling both Lake Washington bridges (SR 520 and I 90) may be necessary to manage traffic flow.

Tolling SR 520 alone does not raise enough money to complete the project.

The End. Thank you!