



January 20, 2020

Governor Inslee's Proposed Transportation Budget



OFM

OFFICE OF FINANCIAL MANAGEMENT

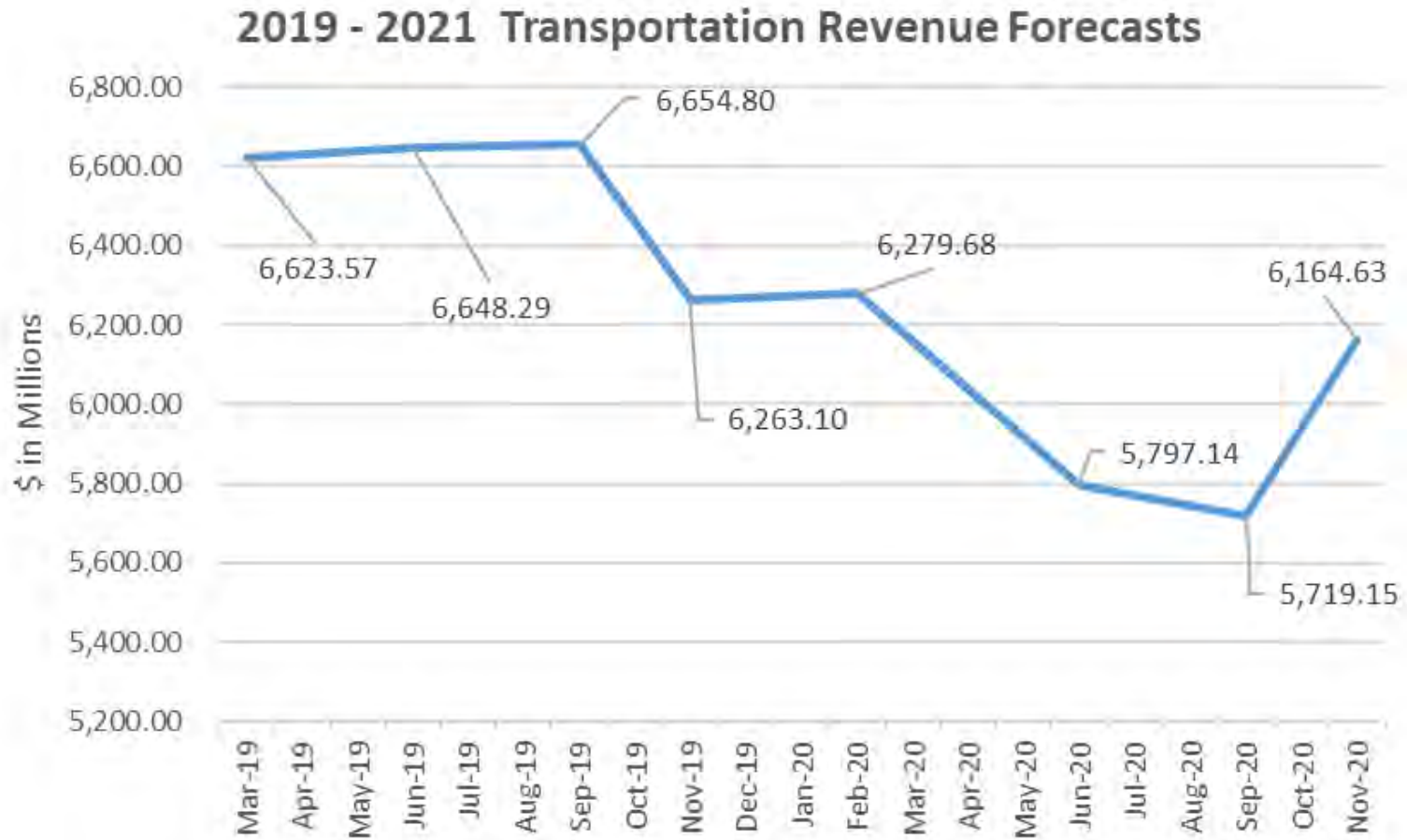
Presentation outline

- Supplemental 2021 update: Revenues and spending
- Biennial budget investments:
 - Governor's priorities
 - Revenues
 - Budget overview
 - Investments in governor's priorities/principles
 - Policy highlights

2021 Supplemental Budget



2019–21 transportation revenue



Timeline

March

- “Stay Home, Stay Healthy” order
- Capital projects suspended

April/May

- Capital projects restarted
- Agency 15% reduction exercise
- Freeze on hiring, contracts and equipment purchases

June

- Furloughs for most employees; no July wage increase for many employees, mostly in management
- Agencies directed to submit budget reduction packages for 2021-23 biennium

September

- Agencies submit 2021-23 budget requests
- September revenue forecast

2021 supplemental

Savings

- Furloughs (\$12.1 million)
- Cancelled wage increase (\$2.1 million)
- Hiring freeze (\$21.5 million)
- Personal services contract freeze (\$3.4 million)
- Equipment purchase freeze (\$1.7 million)
- Other savings (\$78.1 million, includes \$39 million CARES Act)

Construction

- Delayed construction costs (\$715.7 million)

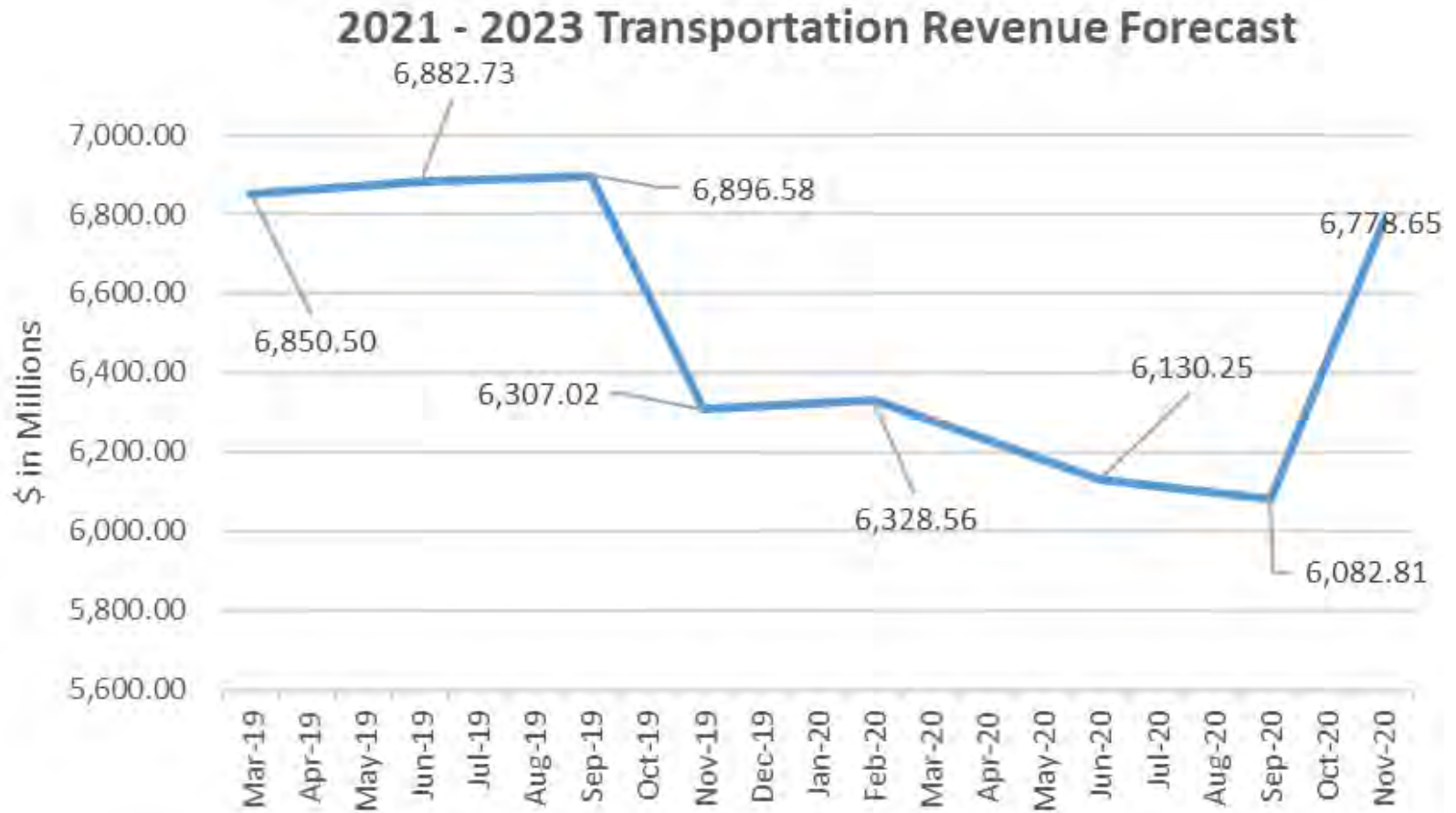
2021–23 Biennial Budget



Governor Inslee's 2021-23 transportation priorities

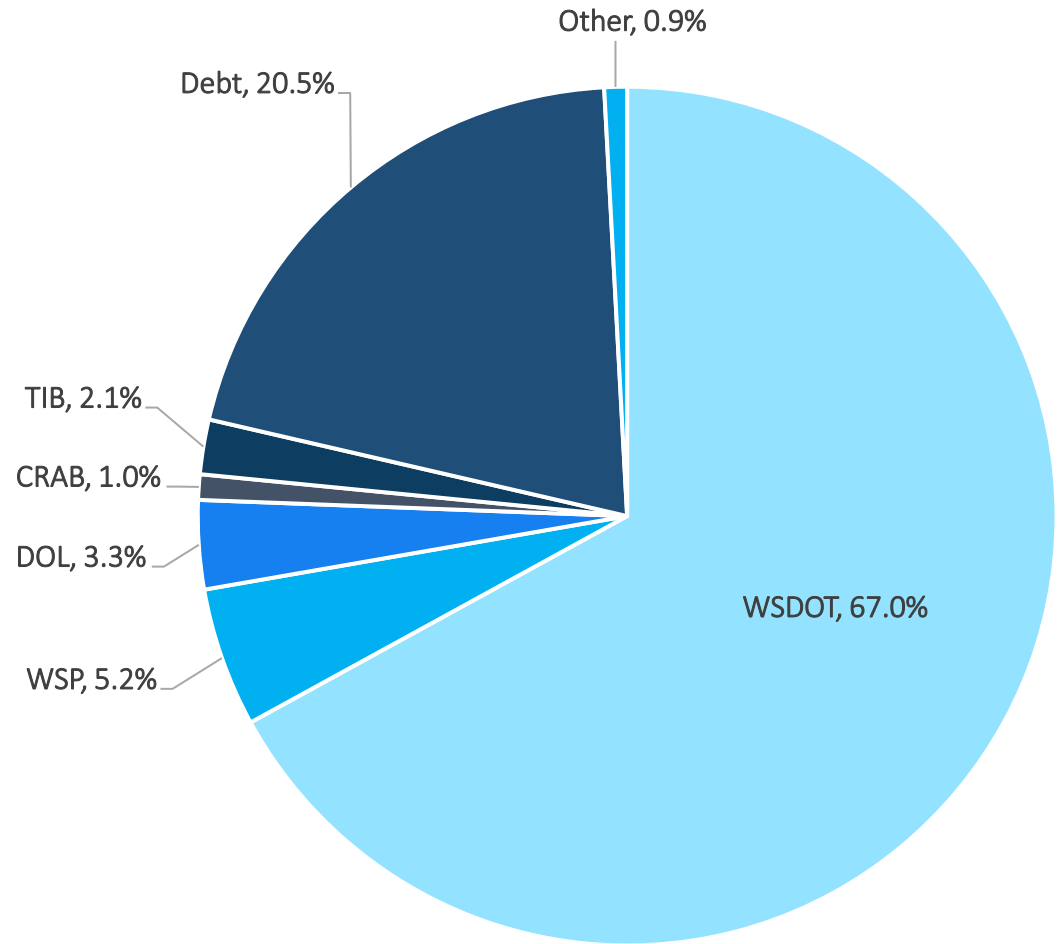
- Clean Green Transportation
- Fish passage barrier removal
- Preservation
- Safety
- Equity

2021-23 transportation revenue



2021-23 transportation budget by agency

Agencies (\$ in millions)	
Washington State Department of Transportation	\$7,299.1
Washington State Patrol	\$570.4
Department of Licensing	\$364.1
Transportation Improvement Board	\$224.1
County Road Administration Board	\$104.1
All Other	\$93.0
Subtotal	\$8,654.9
Debt	\$2,235.9
Total	\$10,890.8



2021–23 budget investments

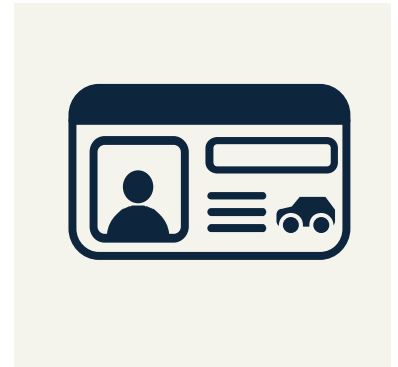
Washington State Patrol

- 3rd trooper class (\$8.9 million)
- Equipment
 - Radio replacement (\$3.6 million)
 - Communications infrastructure (\$2.5 million)
 - 911 workstations (\$298,000)
- Capital – minor works projects (\$3.4 million)



Department of Licensing

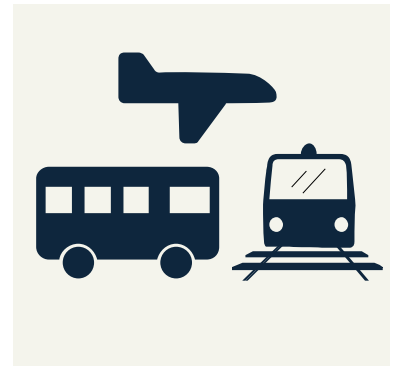
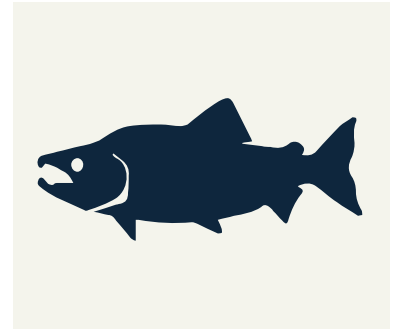
- Extend license renewal from six to eight years
- Online enhancements for license renewal
- Website accessibility and usability



2021–23 budget investments (cont'd)

Department of Transportation

- Invest in fish passage barriers (\$726 million)
- Invest in preservation:
 - \$400 million
 - \$23.3 million additional freight federal funds
 - 50% to state preservation projects, 50% to local network preservation projects
- Invest in workforce development:
 - \$1 million additional to support successful pre-apprenticeship program at WSDOT
 - Total \$3 million



Clean Green Transportation investments

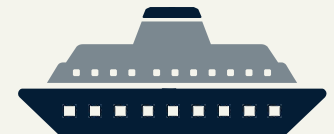
- Invest in ferry electrification and continue program to replace ferries
 - Convert the MV Tacoma to hybrid electric
 - Build a second new Olympic-class hybrid electric ferry
 - Build three terminal charging stations
 - Fund materials for third new Olympic-class hybrid electric ferry
 - Total \$190.2 million in 2021-23 (\$318.1 million over four years)
- Invest in zero-emissions transit grant program (\$15.0 million)
- Invest in active transportation (\$20.0 million)
 - Bike and pedestrian safety grants
 - Safe routes to school



Every **\$75 million** invested in ferry construction generates **\$90 million** of economic activity



Each new ferry produces **560** family-wage direct jobs + **890** indirect jobs



Each electric ferry will reduce **16,340** tons of CO² emissions per year

Clean Green Transportation investments (cont'd)

- **Invest in transit:**
Regional mobility grants (\$5 million)
- **Invest in electric vehicle adoption:**
Electric vehicle outreach (\$1.5 million)
- **Invest in future high-speed rail:**
High-speed rail governance (\$3.25 million)
- **Invest in telework:**
Small business telework assistance (\$350,000)

Economic stimulus

Highways

- Nationwide funding, \$9.8 billion
- Washington (1.7%), \$169.4 million
 - \$25.4 million of state amount for transportation management areas with population greater than 200,000
 - Puget Sound Regional Council
 - Spokane Regional Transportation Council
 - Southwest Washington Regional Transportation Council
 - Benton-Franklin Council of Governments

Economic stimulus (cont'd)

Rail

- \$175 million for state supported routes
- Washington/Oregon, \$12.7 million credit

Aviation

- \$45 million for non-primary commercial service and general aviation airports
- Washington's portion not known at this time

Transit

- Urban transit funds
 - Nationwide funding (\$13 billion)
 - Ferries (\$21-\$23 million)
- Rural transit funds
 - Nationwide (\$648 million)
 - WSDOT public transportation, \$16 million for federal grant administration



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