

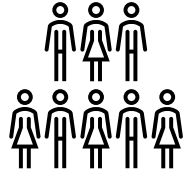
City Transportation Priorities

Washington State Transportation Commission

December 19, 2025



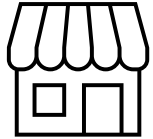
The Value of 281 Cities & Towns



5.3 million people

66% of the state's population

94% of gross state product produced within cities



85% of all retail sales are in a city

\$11.1 billion in sales tax sent to the state's general fund

\$4.6 billion of the state's B&O tax generated in cities



\$3.2 billion in property taxes sent annually to the state's school levy

62% of the state's law enforcement employed by a city

40% of city's operating revenue spent on public safety



2025-27 Transportation Budget

- \$36.2M (est.): Distribution from \$0.06/gallon gas tax increase
 - \$310M: Transportation Improvement Board (TIB)
 - \$83.3M: Safe Routes to Schools
 - \$81.7M: Pedestrian & Bicycle Safety
 - \$25M: Clean Alternative Fuel Vehicle Charging & Refueling Infrastructure
- **Continuing issues:**
 - Preservation & maintenance
 - Fish passage barriers
 - \$1.09B: State-owned
 - \$32.5M: Non-state (Capital Budget)
 - Public Works Assistance Account

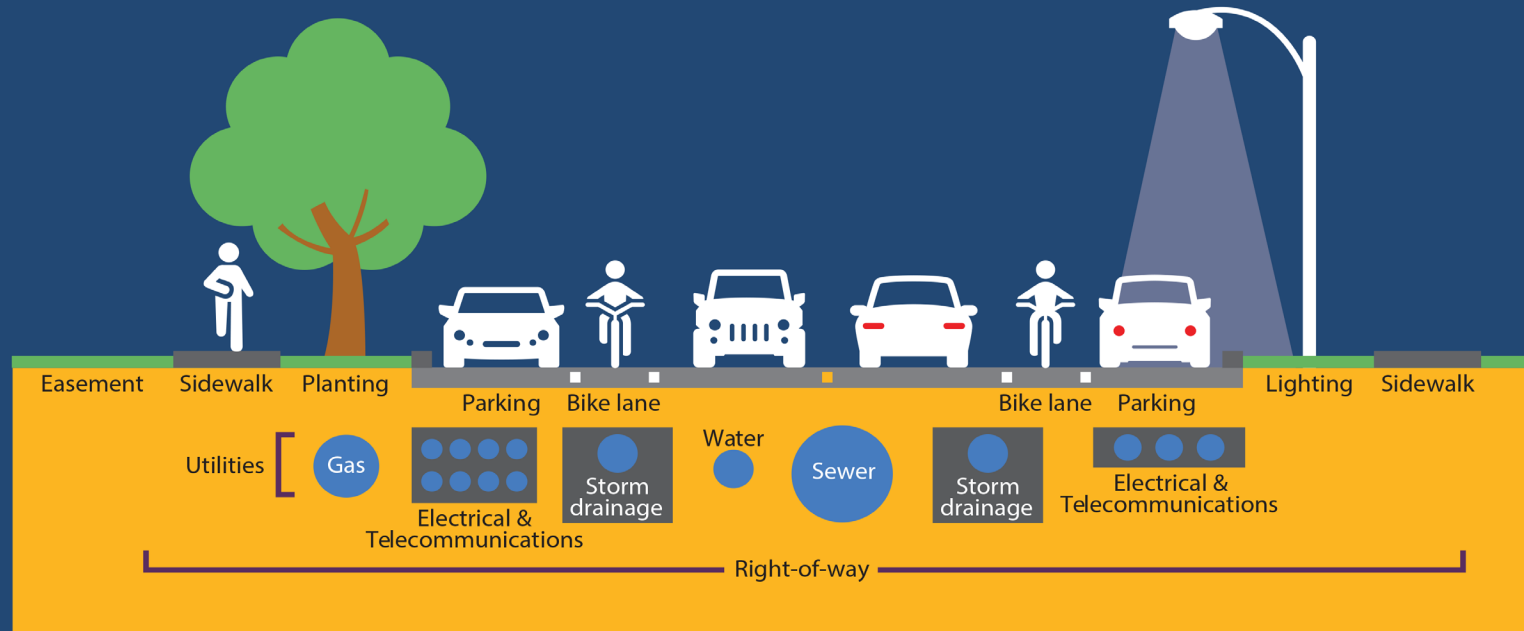


2025 Transportation Bills

- **SB 5161/5801** – Transportation appropriations and resources bills
 - **SB 5595** – “Shared streets” designation
 - **HB 1733** – Relocation expenses due to agency displacement
 - **HB 1774** – Lease of unused highway land
- Did not pass:**
- **HB 1921** – Road Usage Charge (see also similar concept in House chair’s proposed budget)
 - **SB 5374** – Tribal representation in local transportation planning



City streets accommodate **25%** of statewide vehicle miles traveled and cities maintain **36,000 lane miles** of transportation assets.



Cities are working now to meet growing demand. By 2040, Washington's population is expected to grow by **1.5 million** more residents.



City Conditions

- 750 bridges, 43 airports, six transit systems, one railroad
- Infrastructure is biggest funding need
 - Impacted by inflation on materials and labor costs
- 2025 survey – top five transportation needs
 - Maintenance and preservation funding (87%)
 - Improving, constructing sidewalks (70%)
 - Improving traffic safety (including bike/ped) (47%)
 - Complete Streets implementation and compliance (41%)



2026 City Legislative Priorities

- Indigent defense – new caseload standards
- Housing supply – time and new tools
- Shared revenues – preservation
- Transportation – sustainable revenue



50%

of cities have annual transportation budgets under \$500,000.

40%

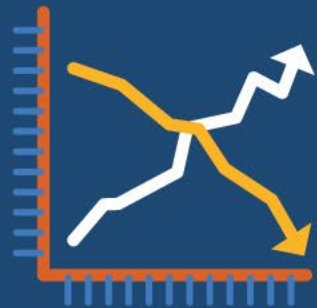
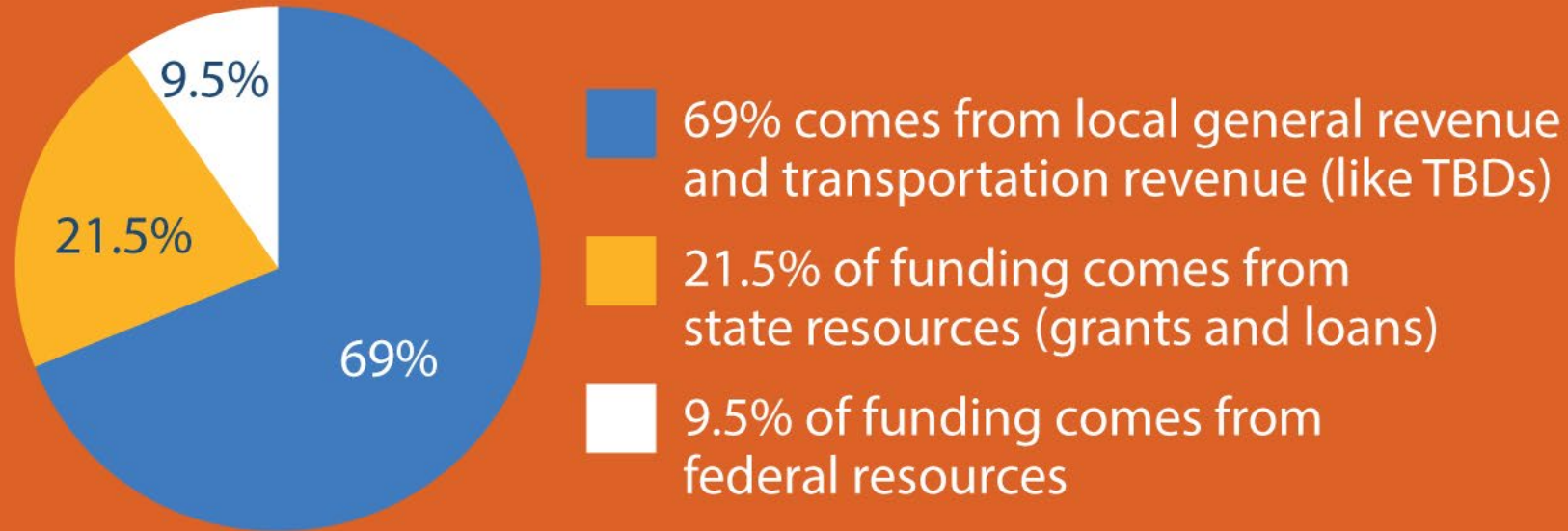
of cities have annual transportation budgets under \$250,000.

**Even with the help of state and federal grants,
these dollars do not stretch far enough.**



Cities lack access to basic funding to maintain and preserve city streets.

Cities largely fund their transportation systems locally:



As costs rise and demands for other priorities increase, cities throughout the state face **structural budget deficits impacting their ability to fund transportation needs.**

Alternative/Expanded Transportation Funding

- Road usage charge or highway use fee
- Retail delivery fee
- Expanded TBD revenue authority
- Sidewalk utility



2026 AWC Transportation Agenda

- Sustainable revenue for local preservation, maintenance, operations
- Fund maintenance of state highways in cities & towns
- Support capital facilities planning
- Invest in local infrastructure – challenges:
 - Fish barrier removal (culverts)
 - Nutrients
 - PFAS response
- Balance regulatory requirements and improve efficiency in contracting and procurement



2026 Transportation Funding Issues

- Addressing project cost increases
- General budget situation & sustainable revenue
 - Return of funds from Operating Budget?
- Federal situation
 - Uncertainty
 - Surface Transportation Reauthorization bill
- Public Works Assistance Account



2026 Transportation Policy Issues

- Policy bills from 2025
 - **HB 1921** – Road usage charge
 - **SB 5374** – Tribal representation
- New bills or other policy
 - Route jurisdiction
 - Federal fund exchange
 - Streamlining project delivery
 - E-motos



2026 Procurement/Contracting Policy Issues

- Policy bills from 2025
 - Prevailing wage at time of performance (**SB 5061**)
 - Prompt payment (**SB 5176**)
- New bills or other policy
 - Small works roster threshold
 - Other?
 - Need for balance



Contact Information

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