

Joint Transportation Committee

Statewide Transportation Needs Assessment

Interim Briefing

December 17, 2019 | Brian Murphy, Sherrie Hsu, and Andrew Bjorn



Introductions



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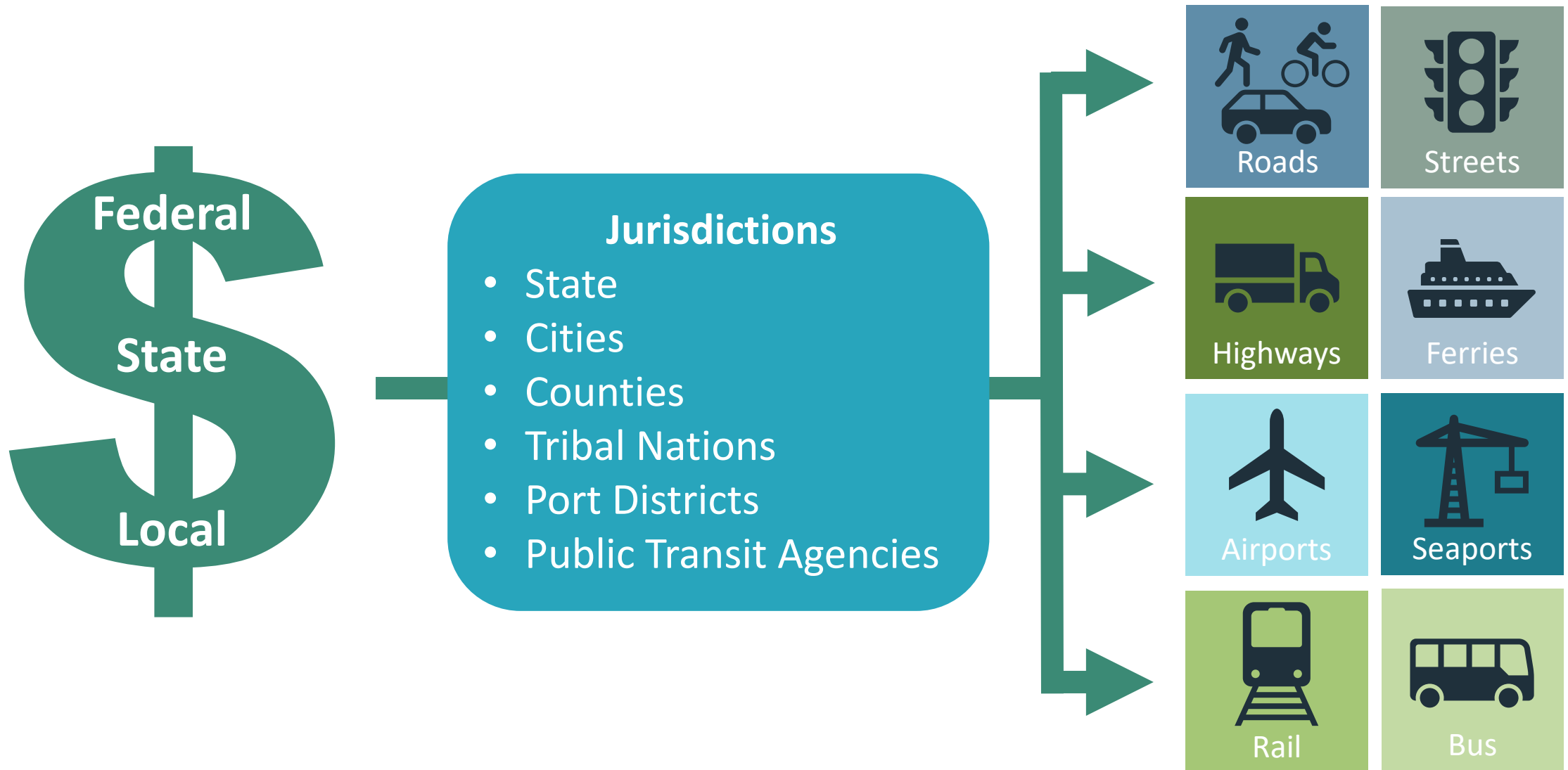
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Presentation Contents

- Overview of study context, purpose, and scope
- Initial review and approach
 - Task 1 - Needs Assessment
 - Task 2 - Funding Options
 - Task 3 - Economic Impact
 - Task 4 - Facilitate Advisory Panel
- Next Steps

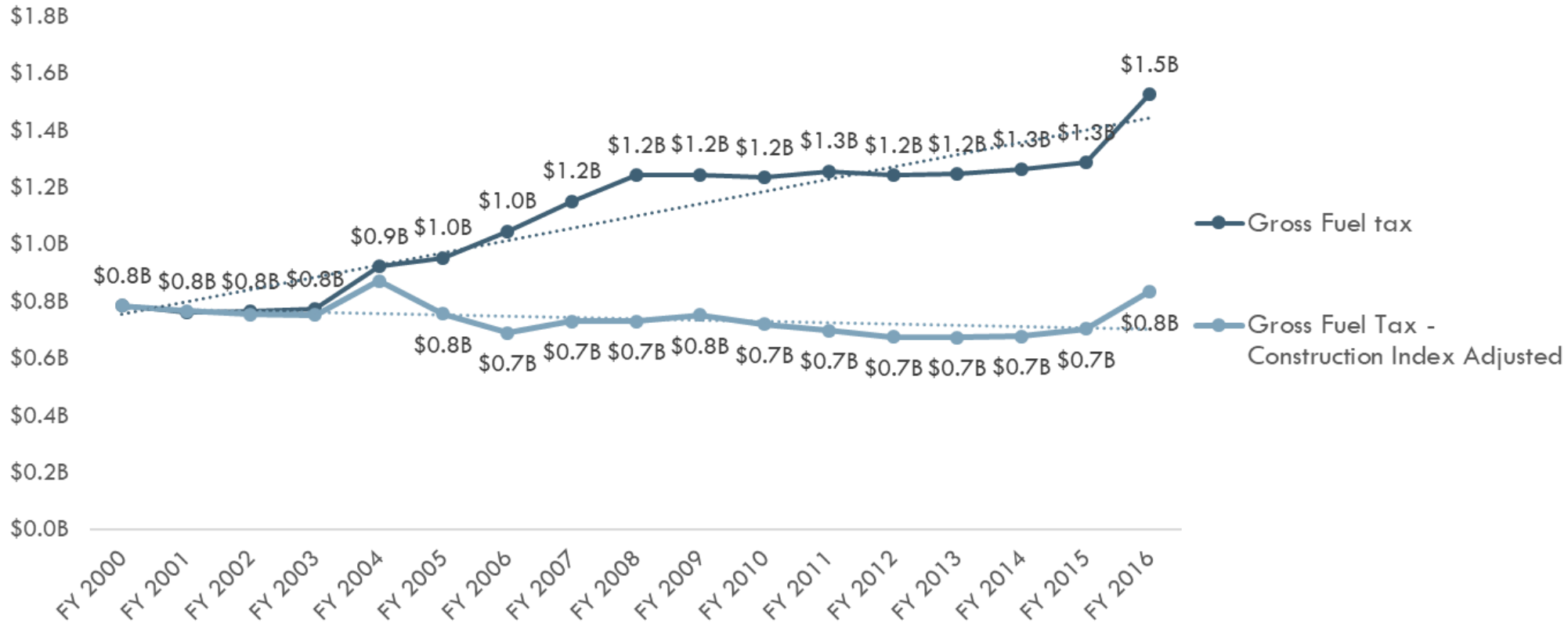
Study Context, Purpose, and Scope

State Transportation System: An Interconnected Network



What We Know: Significant Gaps Persist

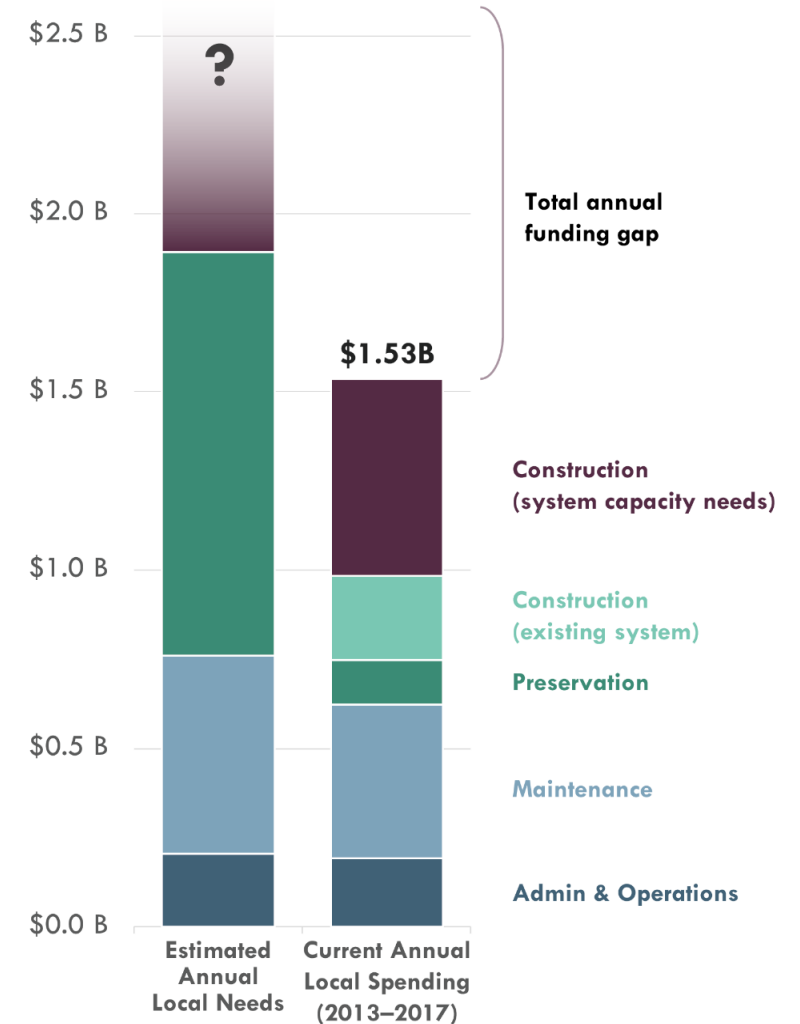
- At the **state level**, there are challenges to implementing high impact projects or preserving the existing system



Adjusted using WSDOT March 2019 Cost Construction Index created by WSDOT from Global Insights Construction forecast.
Source: WSDOT CSCR Merged History, 2003 – 2017 and WSDOT Cost Construction Index, March 2019.

What We Know: Significant Gaps Persist

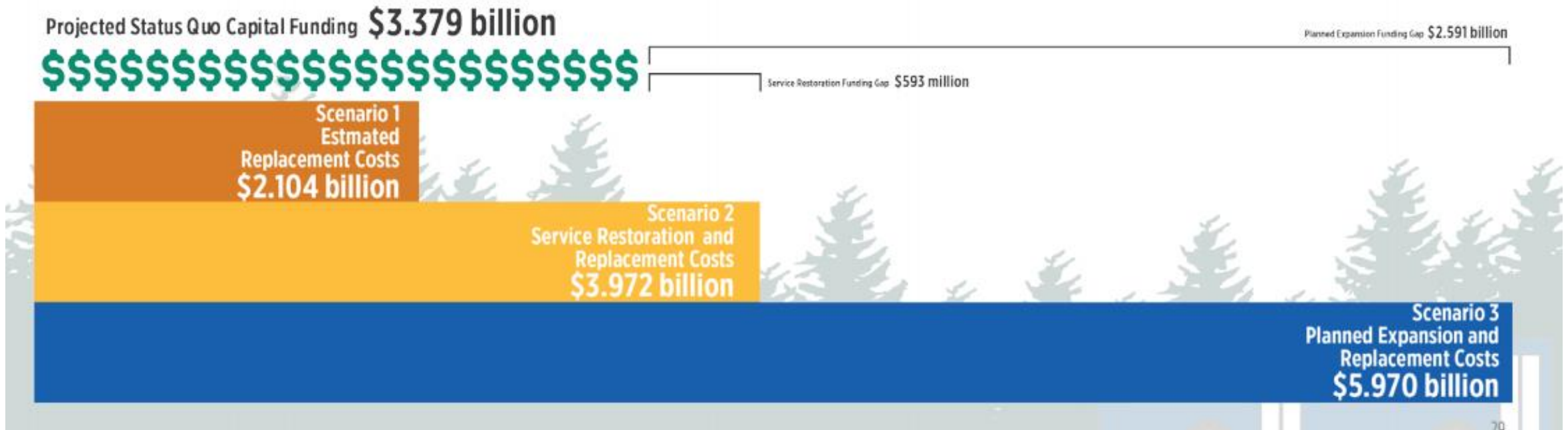
- At the **local level**, we are investing about half of what's needed in city streets
- Funding gaps reflected in:
 - Unmet needs for system capacity expansion
 - Longer, less efficient preservation cycles
 - Accumulation of deferred maintenance
 - Slower achievement of other related goals (e.g., ADA compliance, stormwater management)



Source: JTC Assessment of City Transportation Funding Needs, June 2019.

What We Know: Significant Gaps Persist

- **Transit** faces a nearly \$600 million funding gap to restore transit service to pre-recession levels and \$2.59 billion funding gap to meet planned expansion needs (2019-2028)



Source: JTC Transit Capital Needs Assessment, June 2019.

Study Purpose and Scope

- Conduct a **comprehensive assessment of statewide transportation needs and priorities across all levels of government and all modes**
- Identify **existing and potential transportation funding mechanisms** to address those needs and priorities

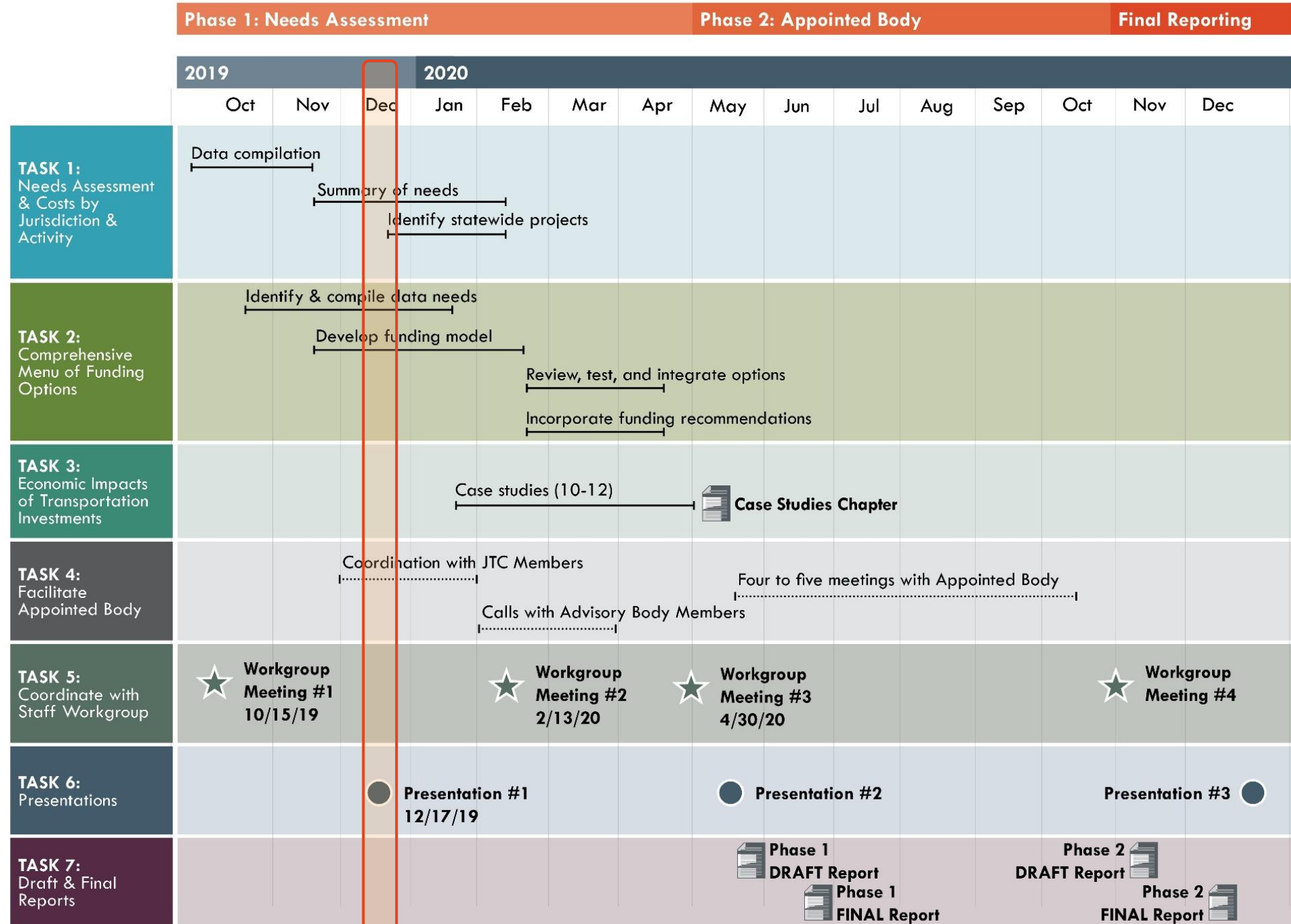
Task 1	Needs Assessment & Costs <ul style="list-style-type: none">• Categorical estimates• Short list of high-impact investments
Task 2	Menu of Funding Options <ul style="list-style-type: none">• Existing sources• Potential sources
Task 3	Economic Impacts of Transportation Investments <ul style="list-style-type: none">• 10 to 12 case studies
Task 4	Facilitation of Advisory Panel <ul style="list-style-type: none">• Advisory Panel will make final recommendations to Legislature

(see proviso in [Appendix](#))

Staff Workgroup

- OFM, House, and Senate
- WA State Transportation Commission
- WA Traffic Safety Commission
- WSDOT
- Dept. of Licensing
- WA State Patrol
- TIB, CRAB, & FMSIB
- Association of Washington Cities
- WA State Association of County Engineers
- WA Public Ports Association
- WA State Transit Association
- Regional Transportation Planning Organizations & Tribal Organizations

(see full list in [Appendix](#))

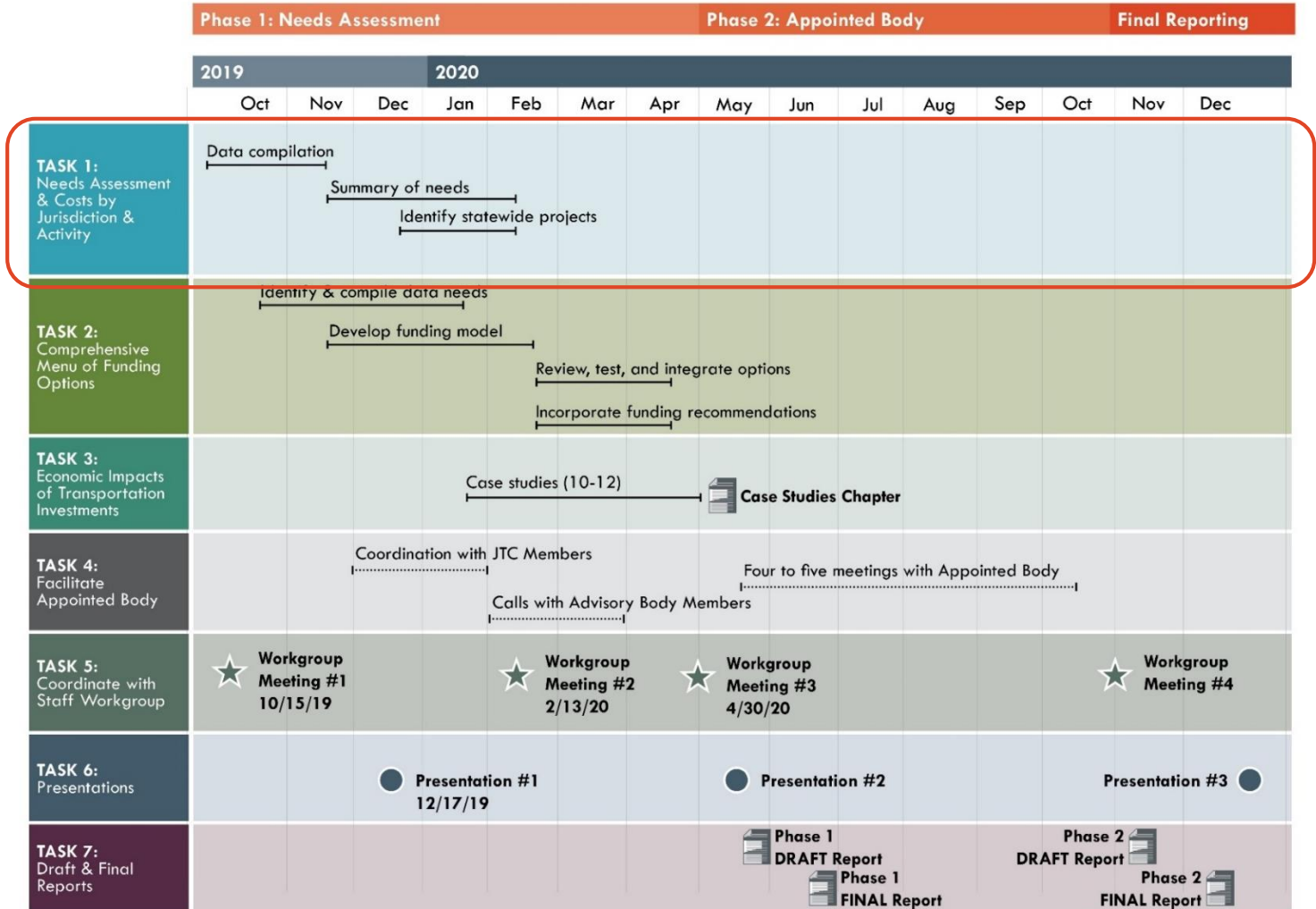


Initial Review and Approach

Task 1: Needs Assessment

From Proviso

- **(a) Recommendations on the critical state and local transportation projects, programs, and services needed to achieve an efficient, effective, statewide transportation system over the next ten years;**
- *(b) a comprehensive menu of funding options for the legislature to consider to address the identified transportation system investments; and*
- *(c) an analysis of the economic impacts of a range of future transportation investments.*

























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Output

- Categorical estimates of annual needs for 2022-2031 by:
 - **Type of Jurisdiction**
 - WSDOT, WSF, cities, counties, port districts, public transit agencies, Tribal Nations, etc.
 - **Mode/Type of Investment**
 - Highways/streets, bridges, rail, transit, airports, seaports, ferries, etc.
 - **Expenditure Category**
 - Administration & operations, maintenance, preservation, capital improvement
 - **State Transportation Policy Goal**
 - Crosswalk transportation needs with State Transportation Policy Goals

Jurisdiction Types and Modes

Modes of transportation cross jurisdiction types.

Type of Jurisdiction	Modes of Transport				
State	 Airports	 Ferries	 Highways	 Rail	
Counties	 Airports	 Bus	 Ferries	 Passenger Rail	 Roads
Cities	 Airports	 Bus	 Passenger Rail	 Streets	
Port Districts	 Airports	 Rail	 Roads	 Seaports	
Public Transit Agencies	 Bus	 Ferries	 Passenger Rail		
Tribal Nations	 Bus	 Roads			

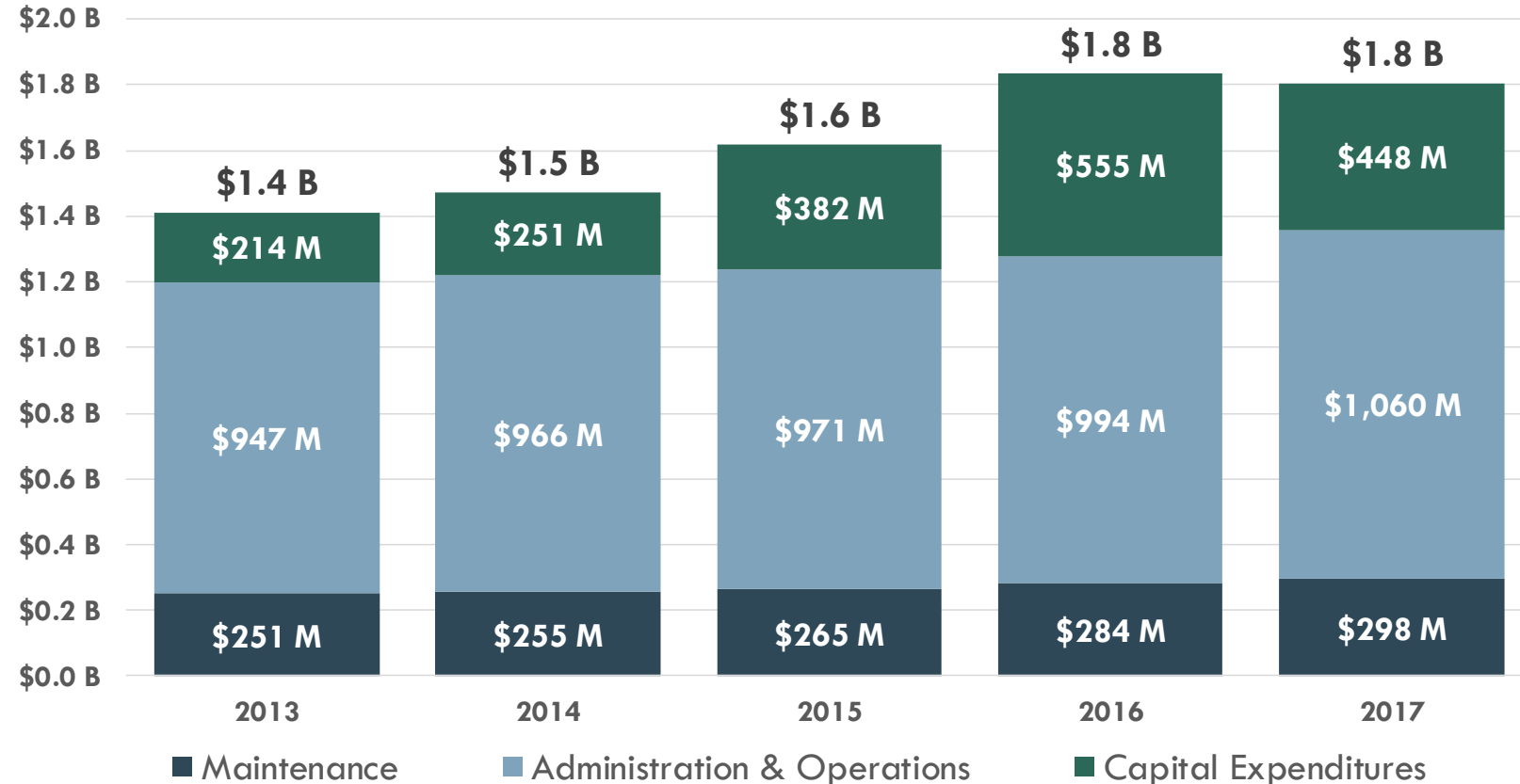
Approach for Estimating Need



Historical Trends

- Historical expenditures by types of jurisdictions and modes of transport
- Sources:
 - State budgeting and expenditure data
 - State Auditor's Office / WSDOT budget data
 - Historical capital planning: RTIP / STIP project planning, modal plans, etc.

Example: Public Transit Expenditures – Bus (2019\$)



Sources: FTA National Transit Database, 2019; BERK, 2019.

Additional Considerations

Some examples of key goals and obligations for the State and local agencies related to the transportation system:

- **Fish barrier removal:** 9th Circuit decision, tribal fishing rights, ecosystem health
- **Safety:** Target Zero, Washington State Highway Safety Plan
- **ADA compliance:** State and local ADA transition planning, accessibility improvements
- **Non-motorized infrastructure:** walking and biking facilities

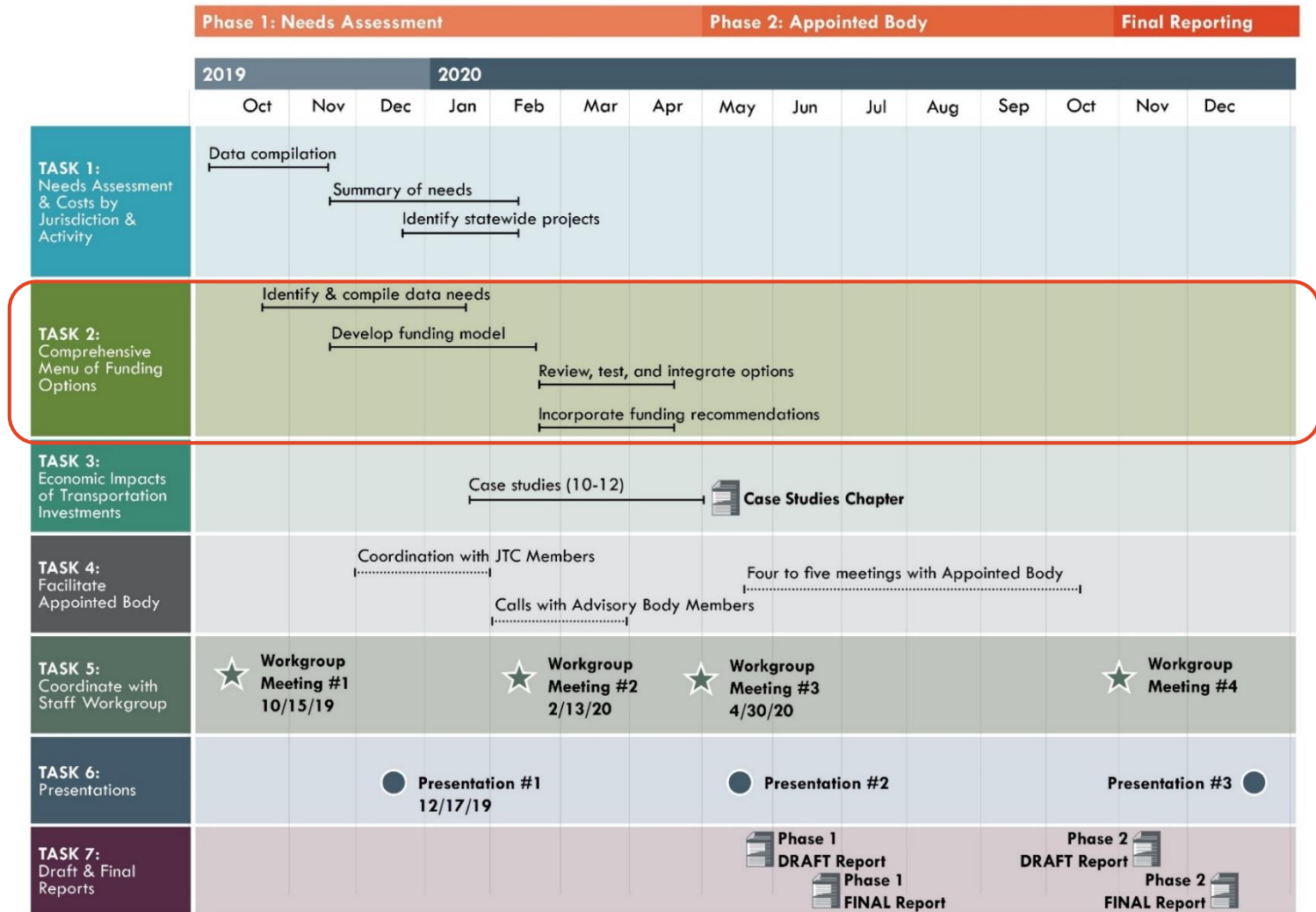
High-impact Investments

- A **short list of high-impact transportation investments** will be included with the needs assessment:
 - Projects that will require significant State participation due to extraordinary scale, scope, and/or cost
 - Difficult for local agencies to address with available resources
 - Important to achieving State Transportation Policy Goals
- JTC Executive Committee will identify projects for this list

Task 2: Funding Options

From Proviso

- (a) Recommendations on the critical state and local transportation projects, programs, and services needed to achieve an efficient, effective, statewide transportation system over the next ten years;
- (b) a comprehensive menu of funding options for the legislature to consider to address the identified transportation system investments; and**
- (c) an analysis of the economic impacts of a range of future transportation investments.



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Task 2: Funding Options

- Goal: Provide policy makers with an order-of-magnitude estimate for receipts to weigh tradeoffs among revenue options
- Tool purpose:
 1. Display incremental revenues that respond to changing assumptions
 2. Summarize revenues parallel to needs identified in Task 1 by:
 - Type of jurisdiction
 - Category of expenditure
 - Transportation Policy Goal
- Revenues from:
 - Existing sources with changing rate assumptions
 - New sources

Technical Team

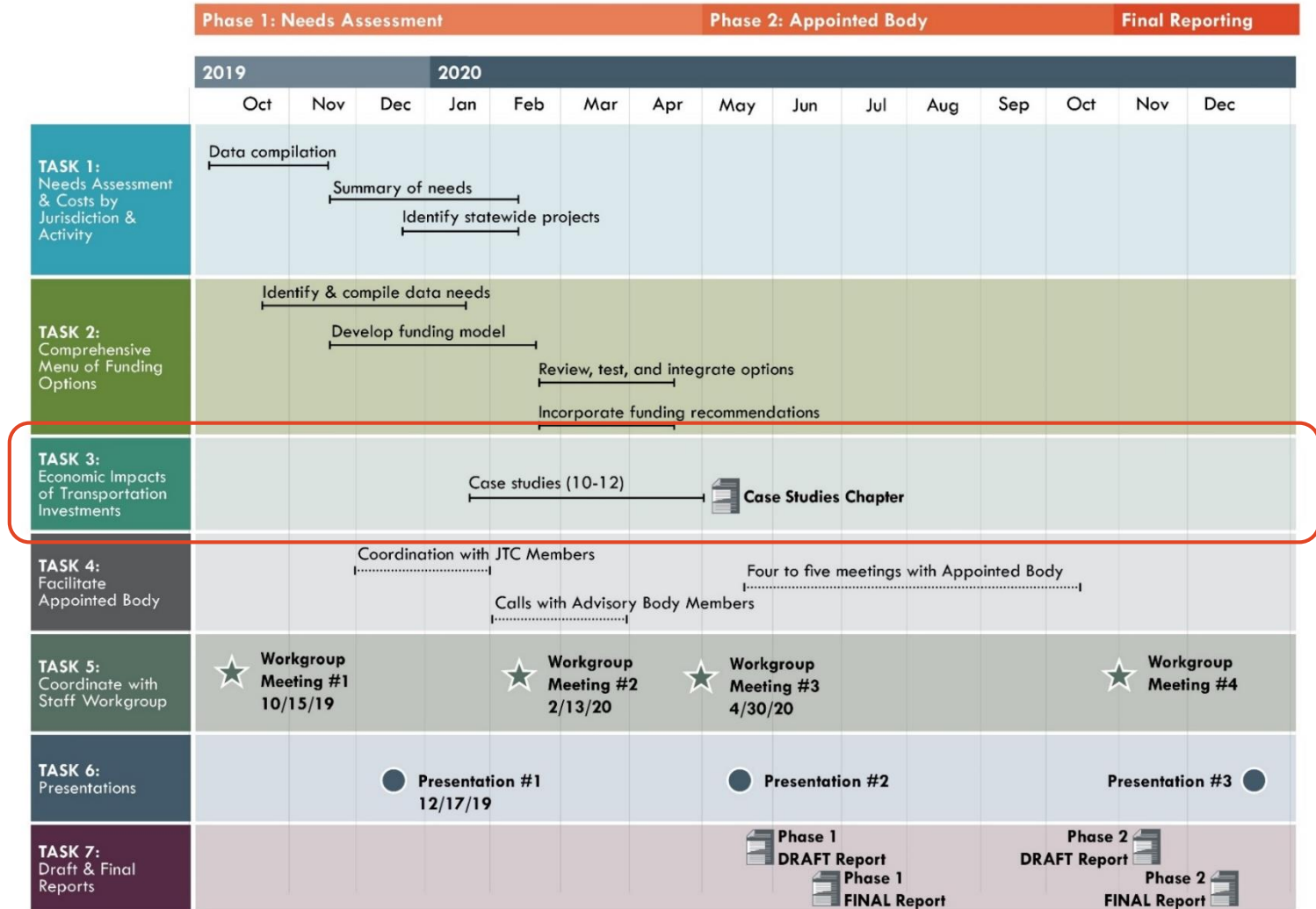
Representatives from Transportation Revenue Forecast Council and agencies including:

- Senate Transportation Committee
- House Transportation Committee
- WSDOT
- Department of Licensing
- Office of Financial Management
- JTC
- Local government representatives

Task 3: Economic Impact Case Studies

From Proviso

- *(a) Recommendations on the critical state and local transportation projects, programs, and services needed to achieve an efficient, effective, statewide transportation system over the next ten years;*
- *(b) a comprehensive menu of funding options for the legislature to consider to address the identified transportation system investments; and*
- **(c) an analysis of the economic impacts of a range of future transportation investments.**



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Task 3: Economic Impact Case Studies

- **Objectives:**

- Highlight **economic and fiscal impacts** of transportation investments to the State
- Review other effects of transportation investment (e.g., local economic benefits, effects on State Transportation Policy Goals)

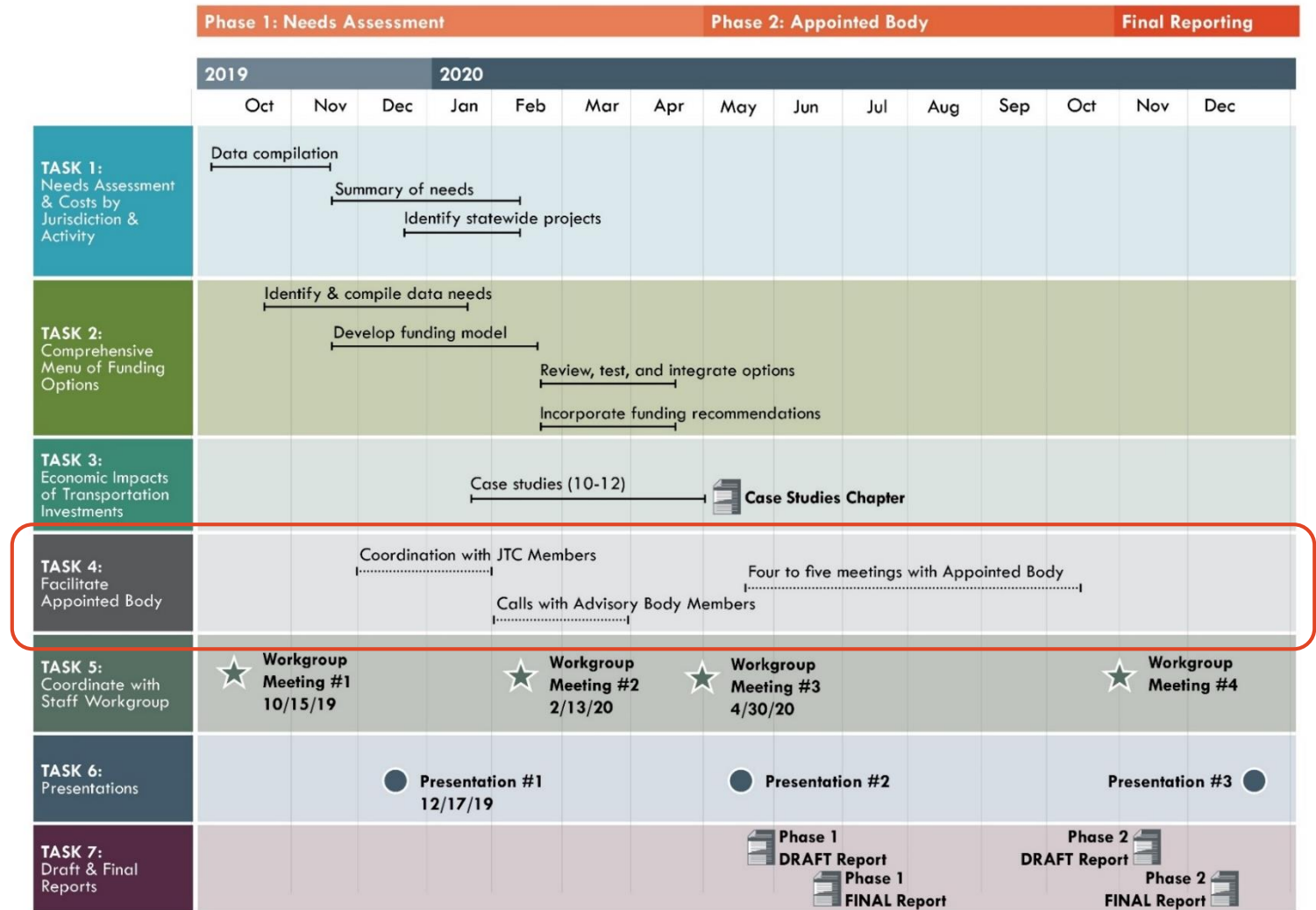
- **10-12 case studies** across:

- **Geographic regions**
- **Jurisdiction types** (e.g., city/county, port districts, WSDOT, etc.)
- **Mode/investment types** (e.g., public transit, road/highway, bridges, rail, port)

Task 4: Facilitate Advisory Panel

From Proviso

- The assessment must be submitted to the transportation committees of the legislature by June 30, 2020. Starting July 1, 2020, and concluding by December 31, 2020, **a committee-appointed commission or panel shall review the assessment and make final recommendations to the legislature for consideration during the 2021 legislative session** on a realistic, achievable plan for funding transportation programs, projects, and services over the next ten years including a timeline for legislative action on funding the identified transportation system needs shortfall.



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Task 4: Facilitate Advisory Panel

- **Charge:** Review Needs Assessment findings and develop recommended investment priorities and revenue options for the Legislature to consider in the 2021 session
- **Membership:** Up to 16 participants; representation and nomination process under discussion by JTC Executive Committee
- **Schedule:** 4 or 5 meetings late spring to early fall 2020

Next Steps

Next Steps

- Continue work on needs assessment and funding options model
- Develop economic impact case studies
- Meet with Staff Workgroup in February and April
- Next JTC presentation June 2020

Questions

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Appendix

Proviso: Engrossed Substitute House Bill 1160

Chapter 416, Laws of 2019, Section 204 (1) - \$400,000 of the motor vehicle account—state appropriation and \$50,000 of the multimodal transportation account—state appropriation is for the joint transportation committee to conduct a comprehensive assessment of statewide transportation needs and priorities, and existing and potential transportation funding mechanisms to address those needs and priorities. The assessment must include:

- (a) Recommendations on the critical state and local transportation projects, programs, and services needed to achieve an efficient, effective, statewide transportation system over the next ten years;
- (b) a comprehensive menu of funding options for the legislature to consider to address the identified transportation system investments; and
- (c) an analysis of the economic impacts of a range of future transportation investments.

The assessment must be submitted to the transportation committees of the legislature by June 30, 2020. Starting July 1, 2020, and concluding by December 31, 2020, a committee-appointed commission or panel shall review the assessment and make final recommendations to the legislature for consideration during the 2021 legislative session on a realistic, achievable plan for funding transportation programs, projects, and services over the next ten years including a timeline for legislative action on funding the identified transportation system needs shortfall.

Study Purpose and Scope

This study is:

- Statewide: all jurisdiction types and modes
- An order-of-magnitude assessment of needs by category
- An order-of-magnitude assessment of revenue opportunities
- A summary of fiscal and other benefits associated with transportation investments
- Information and options for policymakers and budget developers

This study is not:

- Narrowly focused on single jurisdictions, types of jurisdictions, or modes
- A detailed or precise assessment of need by jurisdiction, region, or category of jurisdiction
- A call for detailed or final project lists
- A one-to-one match between categorical needs and revenue options
- An exhaustive assessment of net impacts of investments
- A funding package

Staff Workgroup

- House Transportation Committee: Amy Skei
- Senate Transportation Committee: Hayley Gamble
- WSDOT: Allison Dane Camden
- Office of Financial Management: Erik Hansen
- Washington State Transportation Commission: Reema Griffith
- Washington Traffic Safety Commission: Shelly Baldwin
- Department of Licensing: Beau Perschbacher
- Thurston Regional Planning Council: Marc Daily
- Puyallup Tribe of Indians: Andrew Strobel
- Washington State Transit Association: Justin Leighton
- Transportation Improvement Board: Ashley Probart
- County Road Administration Board: John Koster
- Association of Washington Cities: Logan Bahr
- Washington State Association of County Engineers: Jane Wall
- Freight Mobility Strategic Investment Board: Brian Ziegler
- Washington Public Ports Association: Chris Herman
- Washington State Patrol: Captain Neil Weaver
- House Republican Caucus: Dana Quam
- House Democratic Caucus: David Bremer
- Senate Democratic Caucus: Hannah McCarty
- Senate Republican Caucus: Martin Presley
- Joint Transportation Committee: David Ward, Dave Catterson

State Transportation Policy Goals – RCW 47.04.280

Transportation system policy goals.

(1) It is the intent of the legislature to establish policy goals for the planning, operation, performance of, and investment in, the state's transportation system. The policy goals established under this section are deemed consistent with the benchmark categories adopted by the state's blue ribbon commission on transportation on November 30, 2000. Public investments in transportation should support achievement of these policy goals:

- (a) Economic vitality:** To promote and develop transportation systems that stimulate, support, and enhance the movement of people and goods to ensure a prosperous economy;
- (b) Preservation:** To maintain, preserve, and extend the life and utility of prior investments in transportation systems and services;
- (c) Safety:** To provide for and improve the safety and security of transportation customers and the transportation system;
- (d) Mobility:** To improve the predictable movement of goods and people throughout Washington state, including congestion relief and improved freight mobility;
- (e) Environment:** To enhance Washington's quality of life through transportation investments that promote energy conservation, enhance healthy communities, and protect the environment; and
- (f) Stewardship:** To continuously improve the quality, effectiveness, and efficiency of the transportation system.

Task 1 Output: Needs/Costs by Type of Jurisdiction

Type of Jurisdiction	Preservation	Maintenance	Operations & Administration	Capital
State				
County				
City				
Port Districts				
Public Transit Agency				
Tribal Nations				

Task 1 Output: Needs/Costs by Mode of Transport

Mode	Preservation	Maintenance	Operations & Administration	Capital
Highways				
Roads				
Streets				
Ferries				
Airports				
Seaports				
Rail				
Bus				
Bridges				

Task 2: Model Design

	Revenue Source	Jurisdiction						Type of Expenditure				2020-2030 Total	
		City	County	Transportation Authority	Port District	Ferry District	Tribes	State	Preservation	Maintenance	Operations & Admin		Capital
1													
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													

Task 2: Potential New Revenues

- Partial list of potential revenue options we'll model
 - New revenues from existing sources with changing rate assumptions
 - New revenues from new sources

Potential New Revenues from New or Existing Sources

New Revenue Sources

Carbon Pollution Fee
Statewide Special Transportation Benefit Assessment
For-Hire Vehicles and Transportation Network Company Fees
Road Usage Charges
Cap and Trade Revenues
Sales and Use Tax on Vehicles
Auto Repair Sales and Use Tax
Hybrid Vehicle Fee
DOL Fees on Current No-Fee Services
Community Facilities Districts
Tax Increment Revenues
Employee Excise Tax
Local Option Rental Car Sales Tax
Transportation Utility Tax TBD Option
Freight User Fees
Capital Amtrak Surcharge
Public Infrastructure Access Fees for Developers
Apply Sales and Use Tax to Motor Fuel
Repeal Exported Fuel Exemption
Commercial Aircraft Fuel Taxes

Existing Revenue Sources

Fuel Taxes
Impose Weight Fee Increases Scheduled for 2023 in 2020
Passenger & Other Vehicle Weight Fees
Vehicle Registration Fees
License Fee by Weight for Light Duty Trucks
Freight Project Fees
Increase in IFTA Decals (Interstate Trucks)
Trip Permit Fees (3-day)
Motor Home Vehicle Weight Fee
Automobile Parts Sales and Use Tax
Enhanced Driver's Licenses and Indentcards
Electric Vehicle Fee
Rental Car Tax
Capital Vessel Surcharge
Bicycle Sales and Use Tax
High Occupancy Vehicle Lane Violations
DOL Vehicle/Driver Administrative Fees
DOL Transportation Fees
Development Impact Fees
Deposit Tax on Highway and Ferry Construction in the Multimodal Acc
Increase Diesel Fuel Price to match Fed Gas/Diesel Differential
Aircraft Fuel Tax
Petroleum Products Tax
Oil Spill Tax
Local Option Tolls
Transportation Benefit District Sales Tax