
Recent Transportation Revenue Packages

2022: Move Ahead WA (MAW) Transportation Funding Package

The Move Ahead WA transportation package, enacted in 2022, is estimated to provide \$17 billion in new resources for transportation purposes over 16 years. The MAW transportation package included enactment of:

- ESSB 5974, an omnibus transportation revenue bill that includes state tax and fee increases, monetary transfers, changes to local taxation options, and a number of other policy changes, and
- SSB 5975, providing spending authority for the first biennium of the 16-year MAW program.

Move Ahead WA Revenues (ESSB 5974)

The Move Ahead WA package relies on a combination of state tax and fee increases, newly authorized federal funds, Climate Commitment Act proceeds, transfers from other accounts, and the sale of transportation bonds. State tax and fee proceeds assumed in the 16-year package total \$2.6 billion, including increases to license plate fees, the stolen vehicle check fee, dealer temporary permit fees, enhanced driver's license/identocard fees, and others.

The Infrastructure Investment and Jobs Act (IIJA) passage enacted by Congress in 2021 is expected to yield perhaps as much as \$200 million more annually in federal transportation funds to Washington state than were expected previously. The Move Ahead WA package includes a total of \$3.7 billion in IIJA-related additional federal funds over the sixteen-year package time frame, including the assumed receipt of competitive grant monies.

The Move Ahead WA package includes resources generated by the passage of the Climate Commitment Act (CCA) in 2021 that were provided specifically for transportation purposes. The provisions of the Act require that \$5.4 billion from the auction of emission allowances be deposited in transportation accounts over time. For the 2021-23 biennium, it is assumed that \$127 million will be realized from these auctions, deposited into the Carbon Emissions Reductions Account (CERA), and made available for transportation purposes.

The Move Ahead WA package also relies on amounts provided by the State General Fund and the Public Works Assistance Account. Transfers over the 16-year timeframe total \$4.1 billion.

Finally, the Move Ahead WA package includes the planned sale and deployment of \$956 million of previously legislatively authorized transportation bonds.

Move Ahead WA Expenditures (16-year planned)

The Move Ahead WA package invests \$17 billion in new resources over the next 16 years.

Programmatic spending includes:

- \$4.3 billion in transit, bike and pedestrian investments;
- Over \$4 billion for new and existing priority road and bridge projects;
- \$3 billion in preservation, maintenance, and other highway-related activities, in addition to other highway system improvements;
- \$2.4 billion to fully fund fish passage barrier removals by 2030, in compliance with the federal court mandate;
- Over \$1.5 billion for the state ferry system;
- Over \$500 million for alternative fuel and electrification grants and projects; and
- Over \$300 million in rail investments.

Specific investments over the 16 years of the Move Ahead WA package include:

- \$1.5 billion for state highway preservation;
- \$800 million for hybrid electric ferry vessel construction, coupled with nearly \$200 million for terminal, and vessel electrification and over \$500 million for preservation and operating support;
- \$1 billion for the I-5 Columbia River Bridge;
- \$750 million for highway maintenance;
- \$640 million for SR 18 Widening - Issaquah Hobart Road to Raging River Road;
- \$500 million for stormwater retrofits & improvements;
- \$433 million for the SR 167/SR 509 Puget Sound Gateway;
- \$406 million for SR 520 Seattle Corridor Improvements - West End;
- \$380 million for I-405/SR 167 Corridor Improvements;
- \$244 million for I-5 S 38th Street to JBLM HOV Improvements;
- \$210 million for US 2 Trestle Capacity Improvements & Westbound Trestle Replacement;
- \$150 million for ultra-high-speed rail between Oregon, Washington, and British Columbia; and
- \$150 million for rehabilitation of the Palouse River- Coulee City short line rail.

Other Provisions in ESSB 5974

The following table outlines the policy and fiscal provisions included in ESSB 5974, including the amounts generated over 16 years.

Ref. No.	Item	Transportation Resources	16-Year Amount (in \$ M)
<i>Provisions Included in ESSB 5974</i>			
1	Stormwater	<ul style="list-style-type: none"> • Expresses legislative intent that the \$500 million Move Ahead WA investment must enhance stormwater runoff treatment from existing roads and infrastructure with an emphasis on certain green infrastructure retrofits; and • Requires WSDOT to provide biennial progress reports. 	-

Ref. No.	Item	Transportation Resources	16-Year Amount (in \$ M)
2	Carbon Emissions Reduction Account	<ul style="list-style-type: none"> • Specifies allowable categories of spending; • Makes transfers into the newly created Climate Active Transportation Account and the Climate Transit Programs Account; and • Makes these new accounts subject to same environmental justice and overburdened communities requirement as for Carbon Emissions Reduction Account. 	5,411
3	Aircraft Fuel Tax	<ul style="list-style-type: none"> • 11 cents to 18 cents {7 cent increase) on July 1, 2022. 	26
4	License Plate Fee {per each motorcycle/car plate)	<ul style="list-style-type: none"> • \$10 car original to \$50, \$10 car replacement to \$30, \$4 original motorcycle to \$20, and \$4 replacement motorcycle to \$12. July 1, 2022 effective date. 	1,427
5	Stolen Vehicle Check Fee	<ul style="list-style-type: none"> • \$15 to \$50 on July 1, 2022 and then to \$75 on July 1, 2026. 	484
6	Dealer Temporary Permit	<ul style="list-style-type: none"> • \$15 to \$40 {\$25 increase) beginning July 1, 2022. 	311
7	Enhanced Driver's License & Identicard	<ul style="list-style-type: none"> • \$24 fee to \$42 for 6 year license, \$32 fee to \$56 for 8 year license effective October 1, 2022. 	195
8	Driver Abstract Fee	<ul style="list-style-type: none"> • \$13 fee to \$15 on October 1, 2022 and then to \$17 on July 1, 2029. 	123
9	DOL Administrative Fees	<ul style="list-style-type: none"> • Adds commercial and light duty trucks to the types of vehicles subject to a service fee and a technology fee totaling 75 cents, beginning January 1, 2023. 	23
10	Driver's License Update Fee	<ul style="list-style-type: none"> • \$10 to \$20 on October 1, 2022. 	33
11	Auto Dealer Documentation Fee	<ul style="list-style-type: none"> • Increases the optional fee authority from \$150 to \$200. 	-
12	GF-S Transfer to Move Ahead WA Flexible Account {1)	<ul style="list-style-type: none"> • \$31 million in annual transfers for fiscal years 2026 through 2038. • Represents the equivalent of the sales tax paid on Move Ahead WA Projects. 	403
13	GF-S Transfer to Move Ahead WA Flexible Account {2)	<ul style="list-style-type: none"> • \$57 million in annual transfers for fiscal years 2024 through 2038. 	855
14	Public Works Assistance Account Transfer to Move Ahead WA Account	<ul style="list-style-type: none"> • \$57 million in annual transfers for fiscal years 2024 through 2038. 	855

Ref. No.	Item	Transportation Resources	16-Year Amount (in \$ M)
15	Transportation Tax Incentives - General Fund Backfill Elimination	<ul style="list-style-type: none"> • Statutory transfers from transportation accounts to the general fund for transportation-related tax incentives are repealed, leaving these funds available for additional transportation investments. The incentives include: <ul style="list-style-type: none"> ○ Hydrogen vehicle sales and use tax exemptions; ○ Alternative fuel vehicle retail sales and use tax exemptions; ○ Alternative fuel commercial vehicle and infrastructure B&O tax and public utility tax credits; ○ Electric, hydrogen fuel cell, infrastructure, and zero-emission bus retail sales and use tax exemptions; and ○ Commute trip reduction B&O and public utility tax credits. 	80
16	Hazardous Substance Tax \$50 million Biennial Deposit	<ul style="list-style-type: none"> • Exempts the passage of the Move Ahead WA and any other transportation package passed before July 1, 2023, from the "trigger" which would have terminated a \$50 million per biennium deposit of hazardous substance tax proceeds to the Motor Vehicle Fund for stormwater improvements. 	-
17	Accounts Created	<ul style="list-style-type: none"> • Move Ahead WA Account & Move Ahead WA Flexible Account. 	-
18	New Transportation Accounts	<ul style="list-style-type: none"> • Interest accrued to four newly created accounts. 	25
19	Local Options	<ul style="list-style-type: none"> • Provides 0.1% councilmanic authority for TBD sales and use tax in addition to existing 0.2% with voter approval; • Allows voters within a TBD to reauthorize multiple 10-year extensions of a sales tax; and • Increases border area fuel tax authority from 1 to 2 cents indexed by inflation. 	Local Options
20	Clean Fuels (E3SHB 1091) Trigger	<ul style="list-style-type: none"> • Removes language requiring passage of an additive transportation package before clean fuel compliance and credit provisions go into effect (this subsection was vetoed by the Governor); and • Requires WSDOT to develop estimates and preferred reinvestment strategies for clean fuel credits generated by greenhouse gas emission investments made in the omnibus transportation appropriations act, including the Move Ahead WA transportation package. 	-
21	Establish Electric Vehicle Goal	<ul style="list-style-type: none"> • Establishes a target that all passenger and light duty vehicles of model year 2030 or later be electric vehicles, and requires the Department of Commerce to complete a scoping plan for achieving the 2030 target. 	-
22	Bus & Bus Facility Grant Program	<ul style="list-style-type: none"> • Establishes a new competitive grant program for transit districts. 	-

Ref. No.	Item	Transportation Resources	16-Year Amount (in \$ M)
23	Connecting Communities	<p>Establishes the Connecting Communities program, which expires July 1, 2027, within WSDOT to:</p> <ul style="list-style-type: none"> • Improve active transportation connectivity in communities; • Mitigate health, safety and access impacts of transportation infrastructure that bisects communities and creates obstacles to local active transportation; and • Serve overburdened communities and vulnerable populations consistent with the HEAL Act. 	-
24	Incorporate Complete Street Concepts into Highway Projects	<p>Establishes principles of Complete Streets design at WSDOT for state transportation projects over \$500,000 and requires WSDOT to:</p> <ul style="list-style-type: none"> • Identify portions of state right of way without complete active transportation facilities; • Work with local jurisdictions to enhance system connectivity; and • Adjust speed limits and roadway design in areas with high fatal or serious crash possibility. 	-
25	School Based Bike Safety Program	<ul style="list-style-type: none"> • Establishes a statewide school-based education grant program with one targeted at elementary and middle schools, and one targeted at junior high and high schools. 	-
26	Rail /Amtrak	<ul style="list-style-type: none"> • Directs the WSDOT to negotiate with ODOT for a joint proposal to Amtrak for elimination of fares for passengers 18 years and younger on the Cascades corridor. 	-
27	Ferry Fares	<ul style="list-style-type: none"> • Directs the Transportation Commission to establish a fare-free policy for all passengers 18 and younger on Washington State Ferries by October 1, 2022. 	-
28	Transit Support Grants	<ul style="list-style-type: none"> • Establishes the transit support grant program at WSDOT to distribute operating and capital support funds; • Specifies that transit agencies must maintain or increase their local sales authority to be eligible; and • Requires transit agencies to adopt fare-free policies for passengers 18 years of age and younger by October 1, 2022 to become eligible for 2023-25 awards. 	-
29	Traffic Safety Camera Policies	<ul style="list-style-type: none"> • Allows speed cameras in school walk areas, public park speed zones, & hospital speed zones; • Allows newly authorized cities to use speed cameras - 1 camera per 10K population; • Requires city, school walk area, public park zone and hospital zone speed camera revenues to go 50% to Cooper Jones Account and then 50% for any local purpose; and • Extends the Seattle automated traffic camera pilot by 2 years. 	-
30	I-405 & SR 167 Performance	<ul style="list-style-type: none"> • Provides legislative intent that the Transportation Commission reevaluate options at least every 2 years to improve travel time, speed, and reliability performance on the corridor. 	-

Ref. No.	Item	Transportation Resources	16-Year Amount (in \$ M)
31	Climate Commitment Act/EITEs	<ul style="list-style-type: none"> Removes requirement for passage of legislation specifying compliance obligations for emissions-intensive and trade-exposed (EITE) industries by April 1, 2023 in order for expenditures to be made from the various Climate Commitment Act accounts. 	-
32	Interagency Electric Vehicle Coordinating Council	<p>Creates a new council co-led by WSDOT and the Department of Commerce to:</p> <ul style="list-style-type: none"> Develop a statewide electrification strategy to ensure readiness for all new vehicle sales; Identify all EV infrastructure grant related funding; Coordinate EV grant funding criteria across agency grant programs; Develop a robust public and private outreach plan; Create an industry electric vehicle advisory committee; and Ensure grants, program, and activities benefit vulnerable and overburdened communities. 	-
33	Ferries Plan	<ul style="list-style-type: none"> Expresses legislative intent to fund the vessel and terminal electrification program in accordance with the Washington State Ferries 2040 Long Range Plan; and States that the Legislature will secure funding options to meet the plan requirements by June 30, 2025. 	-
34	Reducing Rural Roadway Departures Program	<ul style="list-style-type: none"> Directs WSDOT to establish program for safety improvements to prevent lane departures in areas where the departure is likely to cause serious injuries or death; Specifies that WSDOT is required to submit a list of the locations receiving funding from the program with a description of the safety improvements by December 31st of each year; and Expands the allowable uses of the Highway Safety Fund to include Reducing Rural Roadway Departures Program. 	-
35	Transportation Future Funding Program Account	<ul style="list-style-type: none"> Renames the account to the "JUDY Transportation Future Funding Program Account," which receives savings associated with practical design and other project efficiencies. 	-
36	Railroad Crossing Grant Program	<ul style="list-style-type: none"> Establishes a program within WSDOT for awards to cities and counties with projects that eliminate at grade highway-rail crossings and that are used for matching funds to obtain federal grants. 	-
37	Regional Mobility Grant Program Eligibility	<ul style="list-style-type: none"> Specifies that Sound Transit must have adopted a fare-free policy for passengers 18 years of age and younger on all modes by October 1, 2022 to be eligible for Regional Mobility Grant Program awards. 	-
38	Green Transpo Capital Grant Program	<ul style="list-style-type: none"> Makes permanent the program that was originally established in E2SHB 2042 in 2019 to aid transit authorities in capital projects related to electrification and other alternative fuel conversion. 	-

Ref. No.	Item	Transportation Resources	16-Year Amount (in \$ M)
<i>Resources in Other Bills</i>			
39	One-time Operating Budget Support	<ul style="list-style-type: none"> GF-S Transfer of \$2 Billion. 	2,000
40	Federal	<ul style="list-style-type: none"> New Surface Transportation Reauthorization IIIA. 	3,650
41	Federal	<ul style="list-style-type: none"> Electrification IIIA. 	71
42	Legislative and OFM Transportation Staff Cost Offset	<ul style="list-style-type: none"> GF-S, instead of MVA-S. 	60
43	Existing Bonding Authority		956
<i>Total</i>			<i>16,988</i>

2015: Connecting Washington Act (CWA) Transportation Funding Package

The CWA transportation package, enacted in 2015, is estimated to provide \$16 billion in new resources for transportation purposes over 16 years. The CWA transportation package included enactment of:

- ESSB 5987, an omnibus transportation revenue bill with a number of state tax and fee increases, state tax incentive programs, and several local revenue options,
- 2ESSB 5988, the spending bill for the first biennium of the 16-year program, and,
- ESSB 5989, the additional state bond authority.

Advisory Vote 12 was on the November 2015 statewide ballot, in compliance with the requirements of Initiative 960. Advisory votes, which are nonbinding, are an opportunity for voters to express support or opposition to revenue provisions in recent legislation. Advisory Vote 12 asked the voters whether they supported the increase in gas taxes enacted by the Connecting Washington Act. The non-binding vote was 64% to repeal and 36% to retain.

Increased CWA Taxes and Fees

The principal sources of new revenue in ESSB 5987 are an 11.9 cent per gallon fuel tax increase; an increase in passenger vehicle weight fees; and weight fees on trucks. Together, these changes raise over \$9 billion over the 16-year period, more than 75 percent of the new revenue (excluding bonds) in the plan.

- The fuel tax was increased in two steps: a 7 cent per gallon increase on August 1, 2015, and a 4.9 cent per gallon increase on July 1, 2016. The total state tax rate after the phase-in is 49.4 cents per gallon.
- The passenger vehicle weight fee increases took effect on July 1, 2016:
 - Vehicles at or below a weight of 4,000 lbs. are subject to an annual weight fee of \$25;
 - vehicles above 4,000 lbs. and up to 6,000 lbs., \$45;
 - vehicles above 6,000 lbs. and up to 8,000 lbs., \$65;
 - passenger vehicles with weights above these classes, \$72;
 - light truck weight fees were increased by \$15 to \$35 annually, depending on weight.

- On July 1, 2022, owners of all passenger vehicle classes will be required to pay an additional \$10 increase annually.
- For owners of heavy trucks, a new freight project fee equal to 15 percent of the existing license fee by weight is required.

Estimated CWA revenues

The expected revenue by broad source category is shown in the table below both for the fiscal 2015-2017 biennium and for the 16-year transportation package period.

Connecting Washington: Estimated Resources (in \$ millions)		
Resource Category	2015-17 Fiscal Biennium	16 Year Total
Fuel Tax Increase	\$ 549	\$ 6,236
Passenger Vehicle Weight Fee	\$ 79	\$ 1,958
Truck Weight Fee	\$ 43	\$ 850
Reallocate Existing Funding	\$ 96	\$ 1,730
General Fund Transfer	\$ -	\$ 518
Bonds	\$ -	\$ 4,762
Other	\$ -	\$ 233
Grand Total	\$ 767	\$ 16,287

The Connecting Washington package includes a \$5.3 billion bond bill to allow for the financing of the various transportation capital projects included in the package. For the first time, a transportation bond bill pledges the repayment of principal and interest both from fuel taxes and vehicle registration fees, in addition to the full faith and credit of the state.

Planned CWA Expenditures

The CWA transportation funding package included a 16-year spending plan covering highway improvements; highway preservation; debt service; multimodal spending, including projects and programs for public transportation, rail, bicycles and pedestrians, and off-road users; city, county, and other local entity-sponsored projects; the state ferry system; the State Patrol; and fish passage culvert modifications. The package also included several tax incentive programs and several local transportation revenue options.

State **highway improvements** constitute the bulk of the planned spending in the CWA transportation package, with over \$8.4 billion allocated for projects across the state. Major projects included:

- \$1.875B for the Puget Sound Gateway project, featuring on the south end the construction of a new four lane alignment on SR 167 between I-5 in Tacoma and SR 161 in Puyallup and on the north end the connection of SR 509 south from SeaTac to I-5.
- \$1.642B for the SR 520 Seattle Corridor Improvements – West End project, completing corridor improvements between I-5 and the West High Rise.
- \$1.225B for the I-405 Renton to Lynnwood project, continuing the widening of the I-405 corridor between Renton and Bellevue, implementing Express Toll Lanes (ETL), and rebuilding impacted interchanges.
- \$878.9M for the US 395/North Spokane Corridor, completing the corridor from Francis Avenue to an interim connection with I-90.

- \$494M for the I-5 JBLM Corridor Improvements project, implementing southbound hard shoulder running between the Berkeley and Mounts Rd interchanges, reconstructing the Thorne and Berkeley interchanges, and subsequently adding northbound hard shoulder running.
- \$426M for the I-90 Snoqualmie Pass – Widen to Easton project, completing the widening from the end of the existing funded projects (MP 62) to Easton.

State **highway preservation, operations, maintenance, and facilities** are emphasized relative to the previous two transportation funding packages. At over \$1.4 billion allocated for these purposes, the amount of expected spending for the 16-year time frame is almost double that of the Transportation Partnership Act (TPA) in percentage terms.

Other elements of the state transportation system also receive funding under the package.

- Additional revenue was directed both to the State Patrol and to the State Ferry operations to address chronic funding imbalances.
- Over \$300 million in funding was provided to the State Ferry System for a fourth Olympic class vessel and to complete the rehabilitation of the Seattle and Mukilteo terminals.
- To address fish passage barrier removal needs, \$300 million is provided for improved culverts.

The CWA package includes several **multimodal components**. Several existing public transportation grant programs receive funding, including the Special Needs, the Regional Mobility, the Rural Mobility, and the Vanpool grant programs. In addition, a number of transit projects receive direct funding assistance, and some funding is allocated for the purpose of transit coordination in the Puget Sound region. The Complete Streets grant program, created in 2011, was funded for the first time. The Safe Routes to Schools and Bicycle and Pedestrian Grant programs, already in place, received additional funding in the package, and several bicycle and pedestrian projects will receive direct assistance. The two-year and sixteen-year summary of funding for these multimodal programs is shown below.

Multimodal Program/Projects Connecting Washington Act	2015-17 Appropriation, \$ Millions	16-Year Allocation, \$ Millions
Special Needs Transit Grants	\$ 6.3	\$ 200
Rural Mobility Grant Program	\$ 3.4	\$ 110
Regional Mobility Grant Program	\$ 6.3	\$ 200
Vanpool Grant Program	\$ 1.0	\$ 31
Transit Coordination Grants	\$ 1.0	\$ 5
Transit Projects	\$ 13.9	\$ 111
Bike/Ped Grant Program	\$ 2.3	\$ 75
Bike/Ped Projects	\$ 9.4	\$ 89
Safe Routes to School Grant Program	\$ 1.8	\$ 56
Complete Streets Grant Program	\$ 3.3	\$ 106

Aside from public transportation, bicycle, and pedestrian components, there are also multimodal allocations for rail purposes.

- For the Palouse River and Coulee City state-owned railroad, \$47 million is set aside for track preservation and maintenance.
- Another \$33 million is allocated for slope stabilization.
- The Freight Rail Assistance Program (FRAP) is allocated and additional \$31 million.
- Local rail projects receive \$63 million in direct assistance.

The package, using multimodal funds as the funding source, continues and creates several **tax incentives** and funds an electric vehicle infrastructure bank.

- Funding is provided to continue the Commute Trip Reduction (CTR) tax credit program, an existing program that allows employers a limited amount of business and occupation tax or public utility tax credit for employee participation in the CTR program, through fiscal year 2024.
- Additional funds are provided to continue the Alternative Fuel Vehicle Sales and Use Tax Exemption, allowing purchasers of certain high-mileage vehicles to buy them tax-free until July 2019.
- A new credit is created against business and occupation tax and public utility tax for the portion of the purchase price of an alternative fuel commercial vehicle. Credits may be used until the end of calendar year 2021.
- An electric vehicle infrastructure bank is capitalized by an additional \$50 fee on electric vehicles and plug-in hybrid vehicles. The bank is expected to leverage private investment for the installation of publicly accessible electric vehicle charging stations in Washington.

Lastly, **local governments** receive both direct funding and support for local projects in the CWA. Over the 16-year span of the package, cities and counties will receive an additional \$375 million in direct distributions of fuel taxes and multimodal funds.

Local projects which receive funding assistance include: the Duportail Bridge project in Richland; the Covington Connector in Covington; the 228th & Union Pacific Grade Separation in Kent; the Orchard Street Connector in Bellingham; the East-West Corridor Overpass and Bridge in Yakima; and several others. In all, \$388 million is provided to help advance these local priorities over the package time frame.

Local Transportation Revenue Options

The CWA package authorized several local transportation revenue options, including:

- Subject to voter approval, Sound Transit may impose a motor vehicle excise tax of up to 0.8 percent of the vehicle value; to increase sales and use taxes by an additional 0.5 percent; and, for the first time, to levy a regular property tax of up to 25 cents per \$1000 of assessed valuation.
- For a Transportation Benefit District, the governing body is given the authority to impose a vehicle fee of up to \$50 without a public vote, subject to several restrictions.
- Community Transit is authorized to increase its sales and use tax by 0.3 percent, subject to voter approval. Kitsap transit is authorized to establish a passenger-only ferry (POF) district within its boundaries, supported by several revenue options, including a 0.3 percent sales and use tax. The creation of the POF district, along with the supporting revenue measures, must be approved by the voters that live within the boundaries of the proposed district.

2005: The Transportation Partnership Package

In 2005, the Legislature enacted the Transportation Partnership Act (TPA) to continue to address the significant transportation needs of the state, including the replacement of major facilities such as the SR 520 Bridge and the Alaskan Way Viaduct (AWV). The TPA funding package was estimated to raise \$8.5 billion over a 16-year period, including a 9.5 cent gas tax increase phased in over four years and vehicle weight fees on cars, light trucks, and SUVs. Of the estimated total, \$7.1 billion must be spent on highway purposes and \$1.4 billion are flexible funds which may be used for non-highway purposes.

Following enactment of the 2005 legislation, Initiative 912 was placed on the November 2005 statewide ballot seeking to repeal the gas tax increases in the Transportation Partnership Act. The voters rejected the attempt to repeal by a vote of 54.6% to 45.4%

Funding for activities eligible for 18th amendment funds totaled an estimated \$7.7 billion and included:

- \$2 billion for replacement of the Alaskan Way Viaduct and seawall;
- \$500 million for replacement of the SR 520 Bridge;
- Almost \$3 billion for congestion relief, including \$972 million for I-405 improvements;
- \$678 million for bridge replacement, seismic retrofit of bridges, and other safety projects;
- \$80 million for local grant programs (TIB, CRAB);
- \$185 million for ferry investments, including \$67 million for an additional vessel;
- \$523 million for local and state freight mobility projects; and,
- \$108 million for environmental mitigation projects.

Funding for non-highway purposes totaled \$680 million and included:

- \$340 million for regional transit grants and the Office of Transit Mobility;
- An additional \$55 million for special needs transit grants;
- \$58 million for pedestrian safety grants, including Safe Routes to Schools and Safe Routes to Transit;
- An additional \$12 million for the Commute Trip Reduction tax credit program;
- \$95 million in passenger rail investments; and,
- \$120 million in freight rail investments.

2003: The Nickel Package

The 2003 Legislature adopted a ten-year transportation revenue package of \$4.2 billion, of which \$3.6 billion were funds restricted to highway purposes and \$600 million were flexible funds.

Known as the “Nickel” package, the 2003 finance package included:

- 5 cent increase of the gas tax;
- 15 percent increase in weight fees;
- three tenths of one percent increase in the sales tax on cars; and
- increase of the license plate retention fee to \$20.

At the time of passage, the 2003 Nickel package funded \$3.7 billion in highway improvements and \$475 million in program increases for non-highway purposes.

Funding for activities eligible for 18th amendment funds included:

- \$3 billion for congestion relief projects, of which \$700 million were for high-occupancy vehicle lane improvements;
- \$211 for safety projects, most of which was for design, right-of-way acquisition, and environmental compliance for the Alaskan Way Viaduct replacement project;
- \$145 million for preservation; and,
- approximately \$300 million for ferry system improvements.

Funding for non-highway purposes included:

- \$236 million in public transportation investments
 - \$30 million increase in the commute trip reduction tax credit;
 - \$30 million for new van pools;
 - \$75 million for rural transit agency grants; and,
 - \$98 million for special needs transportation grants to transit agencies and private non-profit transit service providers.

2002 Revenue Package

Engrossed Substitute House Bill 2969 (Chapter 202, Laws of 02) proposed the following transportation-related taxes, subject to referendum:

- Gas tax of 9-cent-per-gallon increase in the statewide motor vehicle and special fuel tax. The increase was phased in with two annual increases, 5 cents on January 1, 2003, and 4 cents on January 1, 2004.
- Vehicle sales tax increase of 1 percent on the sale of new and used vehicles, with the revenue deposited into the Multimodal Fund.
- Weight fee increase of 30 percent for trucks over 10,000 pounds. The increase was phased in with two annual increases of 15 percent each on January 1, 2003, and January 1, 2004.

That November, Referendum 51 sought to overturn all of the tax and fee increases enacted by ESHB 2969. The referendum overturned the 2002 revenue package with a vote of 61.6% to repeal and 38.4% to uphold.

For a more complete history of the fuel tax, please see the Motor Vehicle Fuel page in the State Taxes and Fees Section, page 51.