



August 14, 2008

SUMMARY OF INITIATIVE 985 Concerning Transportation

*This summary has been prepared in response to specific questions about the provisions and effects of Initiative 985 and is provided for legislative purposes only; it is **not** provided as an expression for or against the ballot measure. Please remember that it is inappropriate to use public resources to support or oppose a ballot measure. Please refer to the 2008-09 Legislative Ethics Manual or contact Senate Counsel for further guidance on when and how comment on ballot measures is appropriate.*

BRIEF SUMMARY

Initiative 985 (the Initiative) directs the following revenue sources toward specified traffic congestion relief activities: 15 percent of the 6.5 percent state sales and use tax imposed on motor vehicle sales; 0.5 percent of all state transportation capital funding; certain excess toll revenues; and revenue generated from local traffic safety camera infractions. Carpool lanes must be opened to all traffic during non-peak hours. State and local governments must synchronize traffic lights on heavily-traveled arterials and streets, and rapidly respond to traffic accidents and other highway obstructions, within their respective jurisdictions. The State Auditor must establish certain congestion relief performance benchmarks and provide updates to the public regarding various activities required under the Initiative.

BACKGROUND

Under current state law, five general policy goals are established for the planning, operation, performance of, and investment in, the state's transportation system. Included among these five goals is mobility, which is defined as improving the predictable movement of goods and people throughout Washington State. (The other four policy goals are preservation, safety, environment, and stewardship.) State law directs that public investments in transportation should support achievement of these policy goals, and all state transportation agencies must perform their duties consistent with the policy goals, including mobility.

In October of 2007, the State Auditor issued a performance audit (Report No. 1000006) which recommended, among other things, that the state take action on numerous traffic congestion relief items, including that the state Department of Transportation (DOT) commit to congestion management and reduction as a primary goal.

SUMMARY OF INITIATIVE 985

Funding for Traffic Congestion Reduction Activities

A new state account, the Reduce Traffic Congestion Account (RTC Account), is created as a subaccount within the state Motor Vehicle Fund and is subject to legislative appropriation.

The following five revenue sources must be deposited into the new account:

- 15 percent of the 6.5 percent state sales & use tax imposed on motor vehicle sales (all revenue from the 6.5 percent state sales & use tax is currently deposited into the state General Fund);
- 0.5 percent of all state funding appropriated after December 4, 2008, for any “transportation-related public works project” (this term is not specifically defined in the Initiative);
- toll revenue generated on high-occupancy toll lanes that exceeds the costs of construction and operation of the lanes (all revenue from tolls collected from high-occupancy toll lane users is currently deposited into the state High-Occupancy Toll Lanes Operations Account)*;
- toll revenue generated on highways and bridges (except ferries) that exceeds the costs of construction, operation, maintenance, or toll collection (all revenue from a toll facility is currently limited under state law to costs related to the toll facility on or in which the revenue is collected)*; and
- revenue generated from local traffic safety camera infractions (all revenue from local traffic safety camera infractions is currently retained by the respective local jurisdiction implementing the camera system).

Expenditures from the RTC Account may be used only for the following items:

- costs associated with opening carpool lanes to all traffic during non-peak hours;
- costs associated with synchronizing traffic lights on heavily-traveled arterials and streets;
- increased funding for emergency roadside assistance; and
- funding for the State Auditor to perform required accountability measures regarding traffic light synchronization and emergency roadside assistance, and for tracking the revenues and expenditures required under the Initiative.

After payment of these specified costs, expenditures from the RTC Account may be made for any other purpose which reduces traffic congestion by reducing vehicle delay times by expanding road capacity and general purpose use. However, expenditures may not be made for bike paths or lanes, wildlife crossings, landscaping, park and ride lots, ferries, trolleys, buses, monorail, light rail, or heavy rail.

Carpool Lane Regulations

On and after December 4, 2008, all carpool lanes must be opened to all traffic during non-peak hours. Relevant signage must be substantially updated and expanded to ensure that drivers are fully alerted to the new carpool policies. “Non-peak hours” are defined as the following times:

- Monday through Friday, between the hours of 9 a.m. and 3 p.m.;
- Monday through Thursday, between the hours of 6 p.m. and 6 a.m.; and
- between the hours of 6 p.m. Friday and 6 a.m. Monday.

* The Initiative appears to contain several drafting errors or omissions relating to the following: (1) contains internal inconsistencies regarding whether any toll revenue, or simply certain excess toll revenue, must be deposited in the RTC Account; (2) amends a statute as it existed prior to changes made during the 2008 Regular Legislative Session; and (3) does not reflect changes in state law enacted during the 2008 Regular Legislative Session governing the use of toll revenue.

During peak hours (between 6 a.m. and 9 a.m., and 3 p.m. and 6 p.m., Monday through Friday), carpool lanes must be limited to travel by vehicles carrying two or more passengers, except that motorcycles may carry one or more passengers. Additionally, tolls may not be charged in high-occupancy toll lanes during non-peak hours.

Other Required Traffic Management Activities

State and local governments must synchronize traffic lights on heavily-traveled arterials and streets within their respective jurisdictions, and must cooperate and coordinate their efforts with each other. Funding must be allocated from the RTC Account to assist with traffic light synchronization efforts occurring after January 1, 2008.

DOT and other governmental entities must rapidly respond to traffic accidents and other obstructions on highways, freeways, roads, and streets, and clear these accidents and obstructions as expeditiously as possible. DOT and other governmental entities must receive increased funding for emergency roadside assistance from the RTC Account. DOT and other governmental entities are encouraged to contract out emergency roadside assistance services to private companies, including tow truck operators.

Initiative Compliance and Monitoring (Accountability) – State Auditor Role

The State Auditor must identify and establish performance benchmarks using best practices for traffic light synchronization and for emergency roadside assistance efforts. The State Auditor must investigate and track: (1) progress fulfilling the emergency roadside assistance requirements; (2) local governments' progress on the traffic light synchronization benchmarks; and (3) the revenues and expenditures required under the Initiative. Additionally, the State Auditor must provide regular updates to the public regarding this information.

Fiscal Impacts

As required under RCW 29A.72.025, the Office of Financial Management (OFM) has provided an estimate for the cost of the Initiative. The fiscal impact to the state General Fund from the allocation of 15 percent of the base 6.5 percent state sales & use tax on new and used vehicles is estimated at \$52 million in FY 2009; \$238 million in the 2009-11 biennium; and \$284 million in the 2011-13 biennium. The fiscal impact over the next five years from the other revenue provisions of the Initiative are estimated by OFM to be as follows: \$40 million from local traffic safety camera infractions; \$9 million from transportation-related public works projects; and \$0 from toll revenues.

For information on assumptions, see the OFM statement of fiscal impacts (given in total dollars only) at the following website: <http://www.ofm.wa.gov/initiatives/985.asp>

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This summary should not be considered legislative history for purposes of interpreting Initiative 985.