2006 Proposed Supplemental Transportation Budget

House Transportation Committee

Office of Program Research

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Section 1

Chair Proposed House 2006 Supplemental Transportation Budget

Overview

House Transportation Committee
2006 Supplemental Budget Proposal

Representative Ed Murray

The House Chairman's proposed supplemental transportation budget stays the course set by the Transportation Partnership Act of 2005, as affirmed by the voters in November. It is a typical supplemental budget; it makes minor adjustments to last year's biennial budget, deals with unexpected circumstances, and enacts minor policy shifts to improve safety, preserve at-risk roads and bridges, and enhance the state's economy.

The principal challenges facing the state's transportation budget are the upward pressures on fuel, labor, and construction costs.

Major themes in the budget are safety, efficiency, accountability, mobility, and governance improvements.

Safety

- Funds are provided to speed up work on dangerous hillsides to prevent landslides, as well as to repair damage caused by this winter's landslides.
- Road safety projects are funded, as are non-road safety projects. These include Safe Routes to Schools, and pedestrian and bicycle safety projects.
- In order to address rising accident rates on our state highways and homeland security issues associated with the state ferry system, $2,040,000 is provided for the Washington State Patrol to hire an additional 18 state troopers.
- Expanded coverage by Incident Response teams will be provided to I-5 in Federal Way, SR 18 from I-5 to Auburn, and SR2 east of Everett.

Efficiency

- The voters decided in November that the State Auditor should do performance audits for state and local government – including the Department of Transportation – and authorized $17 million this biennium to pay for them. As a result, this budget saves $908,000 by eliminating the Transportation Performance Audit Board (TPAB), which would duplicate the work of the State Auditor.
- WSDOT is authorized to hire private sector project managers to assist in the delivery of the nation's largest transportation construction program.

Federal funds accountability

- The budget appropriates federal funds for priority state and local projects, rather than allowing them to be spent without legislative oversight.
- The Chairman's proposal also directs the Regional Transportation Planning Organizations to develop a project selection process which focuses on the highest priority investments.

Mobility

- Regional mobility grants were authorized in last year's budget. This budget appropriates $20 million to projects across the state prioritized through a grant-application process conducted by WSDOT.

Governance

- State transportation governance. $217,000 is provided to the Office of Financial Management to strengthen the Governor's oversight of WSDOT. This completes changes in state transportation governance that were approved last year when the Governor was given authority to appoint the Secretary of Transportation.
- Regional transportation governance. $1,000,000 is provided to implement the regional transportation governance improvements authorized in SHB 2871. These improvements will help restore accountability and public confidence in the Central Puget Sound's transportation system, which has suffered all too often from inefficiency, service duplication, and bureaucratic in-fighting.

Fairness

- The new Tacoma Narrows Bridge will open in April, 2007, at which time the existing bridge will be partially closed for a major retrofit, to fully re-open in the Spring of 2008. For the year that the existing bridge is being retro-fitted, the House budget provides for half-price tolls ($1.50 instead of $3.00) for all toll-payers using the electronic toll system.

Ferries

Washington's iconic ferry system is the largest in the country, and under new leadership, is improving efficiency, customer-service, on-time performance, and accountability. However, the loss of the motor vehicle excise tax in 2000 continues to ripple through ferry finances, despite fare increases in excess of 50%, and reductions in service. The worldwide spike in oil prices hit the ferry system especially hard this year.

The 2006 supplemental budget addresses a number of issues that relate to current and future ferry fiscal stability.

- **Oversight** – $200,000 is appropriated for a major finance study that will review the ferry operating and capital programs, and make recommendations to the 2007 legislature to improve their future fiscal stability.

- **Fuel costs** – $17.4 million is appropriated to cover extraordinary fuel costs for the biennium.

- **Fares** – The ferry system proposed 6% fare hikes for each of the next four years (through 2009), and then annual inflation increases thereafter. The House budget instead assumes only one 6% increase, and then limits future increases to 2.5%.

- **Vessels** – The budget endorses the ferry system's proposal to construct four new 144-car vessels. The larger, 144-car vessels in this budget are fiscally sustainable while allowing for better service and less vehicle loading delay, and accommodating growth in the Mukilteo route without having to add a third vessel to the route.