

House Transportation Committee's Chair Budget Proposal

The House Transportation Chair's Transportation Budget Proposal combines adjustments for the 2017-19 second supplemental budget and for the 2019-21 biennial transportation budget.

2017-19 Second Supplemental Transportation Budget

The Chair's proposal for the second supplemental transportation budget reduces overall expenditures for the 2017-19 biennium by a net amount of \$502 million, resulting in an overall expenditure authority of \$8.8 billion for the current fiscal biennium. Much of the reduction (close to \$450 million) is attributable to delays in the schedules of capital projects; this work is shifted into the 2019-21 biennium. Some of the reduction is associated with savings captured as a result of various underexpenditures, such as the \$14.8 million reduction to Washington State Patrol's non-field force operations attributable to staffing vacancies.

The supplemental budget proposal includes a few items that increase expenditures. Several projects are accelerated; for example, \$40 million is provided for advanced purchases of rights-of-way for the SR 167/SR 509 Puget Sound Gateway project and \$12 million for advanced interchange work on I-82 (at South Union Gap), I-90 (near Medical Lake), and I-90 (at Geiger Boulevard) projects. The supplemental budget proposal also provides \$15 million to address costs associated with unanticipated levels of snow and ice removal activity.

2019-21 Biennial Transportation Budget

The House Transportation Chair's proposal for the 2019-21 Biennial Transportation Budget includes a total appropriation of \$10.0 billion for the two-year fiscal period, up almost \$600 million from the level adopted for the 2017-19 biennium in the 2018 supplemental budget. The net change of about \$600 million represents offsetting capital activity. An increase of almost \$870 million is attributable to increased construction and other activity under the Connecting Washington program, adopted by the Legislature in 2015. Offsetting this is a reduction in activity under the Nickel and Transportation Partnership programs, which are mostly concluded, of more than \$560 million. Other changes reflect increases in amounts for fish passage barrier correction, the acquisition and conversion of several ferry vessels, and state employee compensation, as well as a drop in federal funding.

Implementation of the Connecting Washington Program

The implementation of the Connecting Washington (CW) program kicks into high gear in the 2019-21 biennium. The Washington State Department of Transportation (WSDOT) highway construction program includes work on several CW megaprojects:

- SR 520 corridor improvements on the west end (\$396 million);
- Corridor widening and improvements on I-405 from Renton to Bellevue (\$384 million);
- Preliminary engineering, right-of-way acquisition, and early construction on the Puget Sound Gateway, SR 167, and SR 509 (\$265 million);
- Expansion of the I-5 corridor through Joint Base Lewis-McChord (\$165 million); and

- Construction of US 395 in the North Spokane Corridor (\$164 million).

Through the CW program, \$183 million is allocated for the preservation component of the WSDOT highway construction program for the 2019-21 biennium. In addition, over \$42 million is provided to complete the replacement of the Olympic Region Maintenance and Administration Facility.

The CW program also supports the Washington State Ferries program projects relating to the terminals in Seattle and Mukilteo. Over \$60 million in total funding is provided in the 2019-21 biennium to complete the Mukilteo terminal and \$115 million is provided for the Colman Dock terminal in Seattle.

Finishing up (mostly) the Nickel and Transportation Partnership Account (TPA) Programs

While much of the work required by the legislature under the Nickel and TPA programs has been completed, work continues on a few projects. Of note, the Alaskan Way Viaduct replacement project will conclude, with \$189 million provided to complete the demolition, decommissioning, and surface street work by late 2020. The final phases include numerous construction projects to connect City of Seattle surface streets that are currently in the viaduct demolition zone. Finally, \$137 million is provided to continue work on the Tacoma high-occupancy vehicle lane addition and other improvements on I-5, notably the I-5 southbound/Portland Avenue to Port of Tacoma Road project segment.

Other Transportation Capital Items

A total of \$8.75 million is provided to resume efforts related to replacing the Interstate 5 bridge across the Columbia River. Of this amount, the Office of Financial Management must hold \$8 million in unallotted status, pending WSDOT development of a detailed reengagement plan.

Operating Programs

Department of Licensing. The agency is provided \$2.4 million and 4 FTEs in the transportation budget proposal to establish an office focused on data stewardship and privacy. In addition, \$1.4 million is provided to implement a new electronic driver testing system. The existing testing system is primarily paper-based. Additionally, \$2.65 million in expenditure authority is provided from the new Abandoned RV Account for the implementation of the abandoned RV disposal reimbursement program. The account and program are funded with a \$6 disposal fee collected during the RV registration renewal process.

Two reductions are also proposed. To account for slower-than-expected demand for enhanced driver licenses and enhanced identicards, the Department's appropriation is reduced by \$26 million to align staffing with current demand at licensing services offices. To phase out the staffing levels needed for maintenance on DOL's legacy driver and vehicle software system, expenditure authority is reduced by \$3.3 million. The new system, DRIVES, has a maintenance package with the host vendor.

State Patrol. The Chair's budget proposal funds a third trooper training class in 2019-21 at \$4.2 million to address recruitment and retention challenges. The Chair's proposal also continues support of the state's land mobile radio system, which provides voice communications for federal, state, and local public safety responders. In addition, \$1.4 million is provided for a software system upgrade and \$2.6 million is provided for replacement of microwave radios and radio base stations that no longer have vendor support. Additionally, \$343,000 is provided for unmanned aerial vehicles for onsite investigations of fatal traffic collisions. The data made available with this equipment has reduced road closure times by over two hours on average for each collision for which it has been used.

WSDOT - Aviation. The WSDOT Aviation Program is provided \$5 million in funds from the new Public Use General Aviation Airport Loan Revolving Account for the implementation of the new public use general aviation airport loan program.

WSDOT - Public Transportation. The Chair's budget proposal provides an additional \$10 million for special needs transportation services, through both transit agencies and nonprofit service providers. Several other items are also funded, including \$485,000 for an expanded summer ORCA pilot program for eligible high school students; \$750,000 for the Intercity Transit DASH program; and \$250,000 for a pilot program that will provide improved access to transit for homeless individuals that have very low income.

Other operating changes. One of the areas of focus in the Chair's proposal is worker safety. A total of \$4.4 million in additional funding is provided for worker safety efforts across WSDOT, including funds to conduct asbestos surveys of facilities and highway bridges, to provide protective equipment for respirable crystalline silica and electrical arc flash hazards, and to increase sampling and analysis of workplace hazards that can cause disease or impair health.

The Chair's proposal includes over \$120 million for increases in compensation related to collective bargaining agreements and corresponding increases for non-represented employees.

Continued support is provided for work on autonomous vehicles and on the evaluation of a potential road usage charge. For a subject-matter expert in emerging autonomous vehicle safety technology, \$273,000 is provided to the Traffic Safety Commission, and for communications and outreach regarding autonomous vehicles, \$190,000 is provided to the Transportation Commission. Reappropriated federal funding of \$730,000 is provided to the Transportation Commission for the purpose of concluding the Road Usage Charge pilot project, and the agency is directed to seek additional federal funding for follow-up research.

New Legislative Initiatives

Electrification of State Ferry Vessels. The House Transportation Chair's budget provides increased funding for the state's ferry system, including for the electrification of ferry vessels for the Washington State Department of Transportation (WSDOT) ferry program. For the acquisition of a hybrid-electric, 144-car vessel, \$99 million is provided in the 2019-21 biennium, with the intent to fund the vessel completion in the ensuing biennium and to provide funding for

an additional vessel at that time. In addition, two existing Jumbo Mark II vessels will be converted to operate in hybrid capacity at a cost of \$44 million, resulting in 25 percent savings in fuel costs. Additionally, \$500,000 is provided to WSDOT for an electric ferry planning team to develop long-range implementation plans.

Correction of Fish Passage Barriers. With the addition of \$124 million of new funding, a total of \$214 million is provided in 2019-21 to remove state-owned fish passage barriers in the area subject to the court injunction. Increased funding of \$515 million is assumed for each of the following two biennia, supported primarily by the issuance of Transportation Partnership Act (TPA) bonds. Additionally, \$25 million is provided for grants for local fish barrier removal projects as prioritized by the Brian Abbott Fish Barrier Removal Board to provide additional access to habitat for migratory fish and to further coordinate efforts between the state and local jurisdictions.

Clean Transportation Programs. Pursuant to SHB 2042, regarding the advancement of green transportation, the Chair's proposal includes \$12 million for a new capital grant program to aid transit authorities in funding cost-effective capital electrification projects. The proposal includes \$375,000 to support a Washington State University education program for public agencies on alternative fuel vehicles. In addition, \$2 million is provided to the WSDOT Innovative Partnerships program (Program K) to provide grants for the installation of clean alternative fuel vehicle infrastructure. Program K also receives \$1.2 million to undertake a pilot program to provide grants for clean alternative fuel car sharing programs targeted to underserved communities and to low- to moderate-income members of the workforce not readily served by transit or located in transportation corridors with emissions that exceed federal or state emissions standards.

The Chair's proposal includes several other legislative initiatives promoting clean transportation. For the biennium, \$2 million is provided to the WSDOT Local Programs program for the capital construction of an all-electric ferry to replace the current ferry in Skagit County that runs from Anacortes to Guemes Island. In addition, \$3 million is provided to the Transportation Improvement Board (TIB) to increase the capacity of the Relight Washington program to provide assistance to small cities regarding low-energy street light retrofits. In addition, the Joint Transportation Committee is provided \$450,000 to study public fleet electrification needs.

Homeless Encampments on State Rights-of-Way. Over \$1 million is provided for a pilot partnership program between the WSDOT and the City of Tacoma for the 2019-21 biennium. The pilot program will address the safety and public health concerns related to the homeless encampments on the Department's property along state highways within city limits.

Other legislative program, service, and project initiatives.

Several new programs are funded:

- \$300,000 for WSDOT to pilot a multimedia public information campaign in Whatcom County, regarding the damage of studded tire use on state and local roadways, and to continue the existing public information campaign in Spokane County;

- Five new special license plate programs, created through various bills and supported with \$120,000 to the Department of Licensing;
- A licensing process, pursuant to SHB 1436, to allow motorcycle owners to maintain concurrent vehicle licenses for on-road motorcycle purposes and for snow bike purposes; and
- The Cooper Jones Active Transportation Safety Council, created by ESHB 1723, which combines the expiring Pedestrian and Bicyclist Safety Advisory Councils, to review and analyze data related to pedestrian, bicyclist, and other non-motorist fatalities and serious injuries to identify opportunities for safety improvement in the transportation system and supported by \$150,000 for the Washington Traffic Safety Commission.

Several new public transportation initiatives are funded through the WSDOT Public Transportation and Local Programs Divisions:

- \$191,000 for assistance on the fixed route transit route to Pacific Northwest University of Health Sciences;
- \$710,000 to assist the City of Zillah with the construction of the Teapot Dome Park and Ride Lot; and
- \$750,000 is provided for a transit-oriented development pilot project at Kingsgate Park and Ride in Kirkland. The purpose is to determine how WSDOT properties may be used to provide public benefits in addition to the transportation benefits.

Funding assistance is provided for state and local legislative priority projects. A total of \$75 million is provided; all projects are included on the LEAP list. Examples include:

- \$3 million for the SR 155/Omak Bridge rehabilitation project;
- \$2 million for the Edmonds Street Waterfront Connector project; and
- \$700,000 for the Chelatchie Prairie Railroad Roadbed Rehabilitation.

Funding for projects is supported by the assumed enactment of the provisions of HB 1228 relating to the advancement of passenger vehicle weight fees that are otherwise scheduled to take effect in the 2021-23 biennium.

Legislative-directed Studies. Several studies are funded in the Chair's proposal:

- \$350,000 is provided for the WSDOT Local Programs program for a Puget Sound passenger-only ferry study which will examine new passenger ferry service to better connect communities throughout the 12-county Puget Sound region. The study will assess potential new routes, terminal locations, and electrification of the ferry fleet.
- \$1 million is provided for WSDOT to develop a plan and report for the Ballard-Interbay Regional Transportation System on replacement of the Ballard Bridge and the Magnolia Bridge, which was damaged in the 2001 Nisqually Earthquake, and to include recommendations on how and when to construct new Magnolia and Ballard bridges.
- \$84,000 is provided to WSDOT's Innovative Partnerships program to collaborate with the Department of Commerce to conduct a study to identify opportunities to reduce barriers to electric vehicle adoption by lower income residents of the state through the use of vehicle and infrastructure financing assistance.

- \$550,000 is earmarked through the WSDOT Washington State Ferries program for a Washington Transportation Center (TRAC) study of a pilot schedule for the Triangle Route to provide maximum sailings, moving the most passengers to all stops in the least travel time, including waits between sailings.
- Washington State Ferries is directed to hire a consultant to conduct a baseline noise study to establish plans and data-driven goals for reducing ferry noise when southern resident orca whales are present.
- \$250,000 is provided to the WSDOT Rail Program for a study of the feasibility of an east-west intercity passenger rail system, with service to be considered for Auburn, Cle Elum, Yakima, Tri-Cities, Ellensburg, Toppenish, and Spokane.
- \$250,000 is provided to the Transportation Commission to conduct a study on discounted tolls and similar programs for low-income drivers provided by other states, countries, and other entities and the possible implementation of such a program in Washington.
- \$350,000 is provided to the Department of Fish and Wildlife to contract with the Association of Washington Cities to inventory and assess fish passage barrier associated with city roads located in the U.S. v. Washington case area.
- \$1.1 million is provided from dedicated county fuel tax distributions to WSDOT to contract with the Washington State Association of Counties to identify and prioritize county-owned fish passage barriers, update the Local Agency Guidelines Manual, and study the current state of county transportation funding.
- \$90,000 is provided to the Joint Legislative Audit and Review Committee to update a 1999 study of the Washington State Patrol's vehicle replacement life cycle cost model.