

# A Transportation System for the 21<sup>st</sup> Century

## Outlook for State Transportation Funding and Priorities

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# A strong transportation system is needed for a strong, healthy state

## **Transportation investments create jobs, spur recovery, create vibrant communities and position businesses for the global economy**

Maintaining, preserving and improving Washington's statewide, multimodal transportation system is vital. It is the foundation that moves goods to market, people to jobs and families to activities.

Investing in transportation creates living-wage jobs. It builds the infrastructure to support long-term economic growth. It supports the flow of commerce and the health of businesses large and small.

***Transportation investment is not an option – it is a necessity.***



Washington's transportation system is big, complex and multimodal

**Comprehensive system connects roadways, airports, waterways and railways**

## On the state-owned system alone:

- **Highways:** 87 million vehicle miles/day (18,600 state highway lane miles)
  - 1,649 miles of state roads are within Indian Reservations.
  - 309 lane miles of the 320 miles funded for HOV systems are in place (Including transit and HOV treatments on arterials and ramps)
  - More than 3,600 bridges and structures
- **Ferries:** Nearly 23 million passengers/year (23 ferry vessels, 19 terminals in Washington, and 450 total sailings per day with 900 total sailings)
- **Aviation:** 17 WSDOT-managed airports (138 public-use airports)
- **Passenger rail:** Nearly 850,000 passengers in 2011 (partner in Amtrak Cascades state passenger rail)
- **Freight rail:** 3,600 miles of operated public and private freight railroads move 103 million tons of freight. (2009 data)
  - Grain Train delivers more than 1.6 million tons of grain since 1994, 100 tons per car in 2010. (The Grain Train program runs 118 cars, including 29 added in 2010.)
  - WSDOT owns 326 miles of short-line railroad. (During 2010, shipping on the Palouse-Coulee City rail system increased 20% over 2009 to 8,000 carloads.)
- **Transit support:** Business and state partnerships in commute programs support more than 810,000 workers statewide (160 million vehicle miles traveled reduced annually)
  - Vanpool program includes more than 2,400 vans (largest public fleet in the nation)

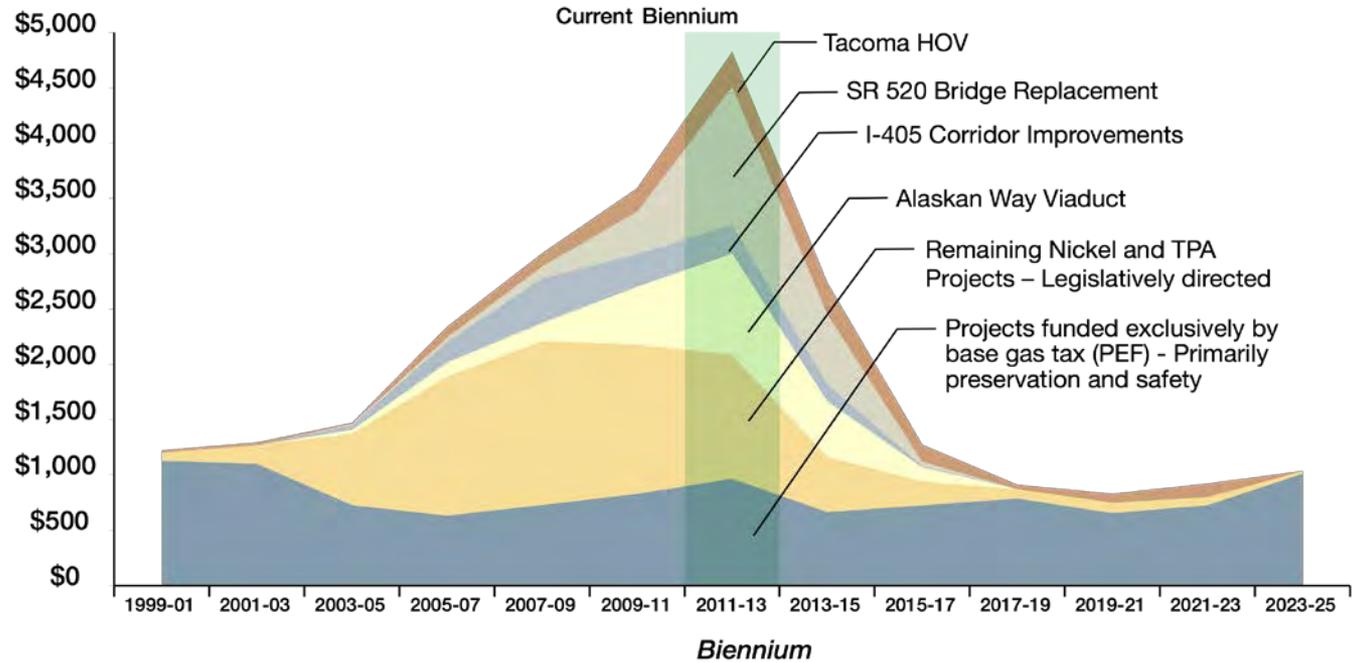


2003 and 2005 revenues are committed and projects are nearly complete

**Project benefits will be lost and jobs will decline in the public and private sector; no new projects in the pipeline**

## Major projects are in construction phase

Dollars in Millions



- 75% of highway program dollars are contracted to the private sector.
- 54% of the design effort for Nickel and TPA was delivered by the private sector.
- \$6 billion of the \$16.3 billion in Nickel and TPA is delivered through our design-build program.
- 421 Nickel and TPA projects, 88% are complete or under way by the end of 2012. Over 30 projects on or near Indian Reservations.

Transportation revenue is limited, committed and doesn't keep up with inflation and growing demand

**Current funds are not adequate to meet basic maintenance and operation needs**

**37½¢** per-gallon Washington state gas tax rate as of July 1, 2008



**-9½¢** 261 specific transportation projects statewide\* (2005 Transportation Partnership Projects)



**-5¢** 160 specific transportation projects statewide (2003 Nickel Package projects)

**Funded 421 projects, 10,000 jobs annually**

**23¢** Base gas tax



**-11¢** Supports **cities and counties** for local roads



**-4¢** Supports debt service to reduce **bond debt** that funded past highway and ferry projects



**8¢** Remains for maintenance and operations, as well as preservation, safety improvements and congestion-relief projects for state highways and ferries

\* Of the 9½ cents, 8½ cents is used by the state for highway projects, 1 cent goes to cities and counties for improvements to streets and roads.

## Washington State has fuel tax agreements with Tribal Governments

**The Legislature passed a law in 2007 authorizing the Governor to enter into compacts with Tribes**

### **Fuel Tax Agreements**

- **22 Tribes have an agreement with the State**
- **Three types of agreements exist:**
  - 75% / 25% “compacts”
  - Per Capita
  - Consent Decree
- **Tribal fuel tax refunds in FY 2012: \$28.9 million**
  - \$26.07 million gas tax refunds
  - \$2.83 million diesel tax refunds
- **Fuel tax revenue retained by the State in 2011: \$8.8 million**

Federal revenues likely will stay the same or decline

**Funding levels are uncertain and SAFETEA-LU is under temporary continuation**

- During the interstate completion era, federal funds paid 90% of project construction costs. Those days are gone.
- Over the past 10 years, federal funds on average have made up 27% of Washington's highway budget.
- Washington uses a majority of its federal funds for preservation.
- After ten extensions, a two-year authorizing bill, MAP-21, was signed into law in July.
- The bill continues current levels of funding for highway, transit, highway safety and motor carrier safety programs through FFY 2014, with a small inflationary increase. It also consolidates and eliminates programs and creates new performance measures.
- The federal Highway Trust Fund is projected to become insolvent in early FFY 2014 unless Congress identifies new revenues or reduces investments.

Declining revenues and growing demands require a new investment approach



**Operate efficiently**



**Manage demand**



**Add capacity strategically**

**Maximizing the use of the existing system and using available technology to communicate with and direct traffic, improves the system's performance and generates revenue through variable pricing and other traffic management tools.**

**Providing more travel choices and options for people and freight helps improve the efficiency and effectiveness of our system.**

**Adding new capacity to our currently over-stressed transportation system removes choke points and bottlenecks, completing critical corridors; improve reliability, throughput for freight, commuters and transit partners.**



RELIABLE · RESPONSIBLE · SUSTAINABLE  
**MOVING WASHINGTON**

Connecting Washington Task Force develops 10-year strategy and an investment proposal of \$21 billion

**Promotes principle based investments that are critical to Washington's economic future**

**Estimated needs for the statewide system are \$50 billion**

Investment Principles: 10-year strategy will focus on transportation investments that strengthen the economy and provide community benefits.

- Preserve existing transportation systems and services.
- Improve mobility for people and commerce.
- Enhance the safety and efficiency of the transportation system.
- Provide community and environmental improvements that help attract, keep and expand private businesses and a highly skilled workforce.



## Washington's transportation system future

**Our need for a functioning transportation system continues to grow, while our revenue stream declines**

### **We can start by treating the transportation system like the utility it is**

- Gas taxes built the transportation system of the past.
- We need to look at new and different revenue sources to keep up with today's changing technology.
  - Fuel-efficient vehicles
  - Electronic vehicles and charging stations
- User-based fees are here today and are likely in our future
  - Tolling
  - Mileage-based fees
  - Other sources

Tribes are  
important  
partners in  
transportation

**We work together in  
a variety of ways**

- Connecting Washington Task Force and MAP-21 Steering Committee
- Washington Indian Transportation Policy Advisory Committee (WITPAC) and Tribal Transportation Planning Organization (TTPO)
- Biennial Tribal / State Transportation Conference
- Partnering to fund and deliver transportation projects
- Annual review meetings to enhance consultation on natural and cultural resource issues

