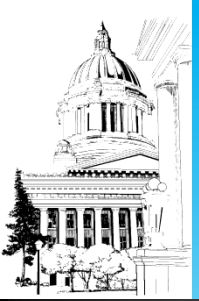




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# Summary of the State Transportation Budget

CDTC - October 11, 2018



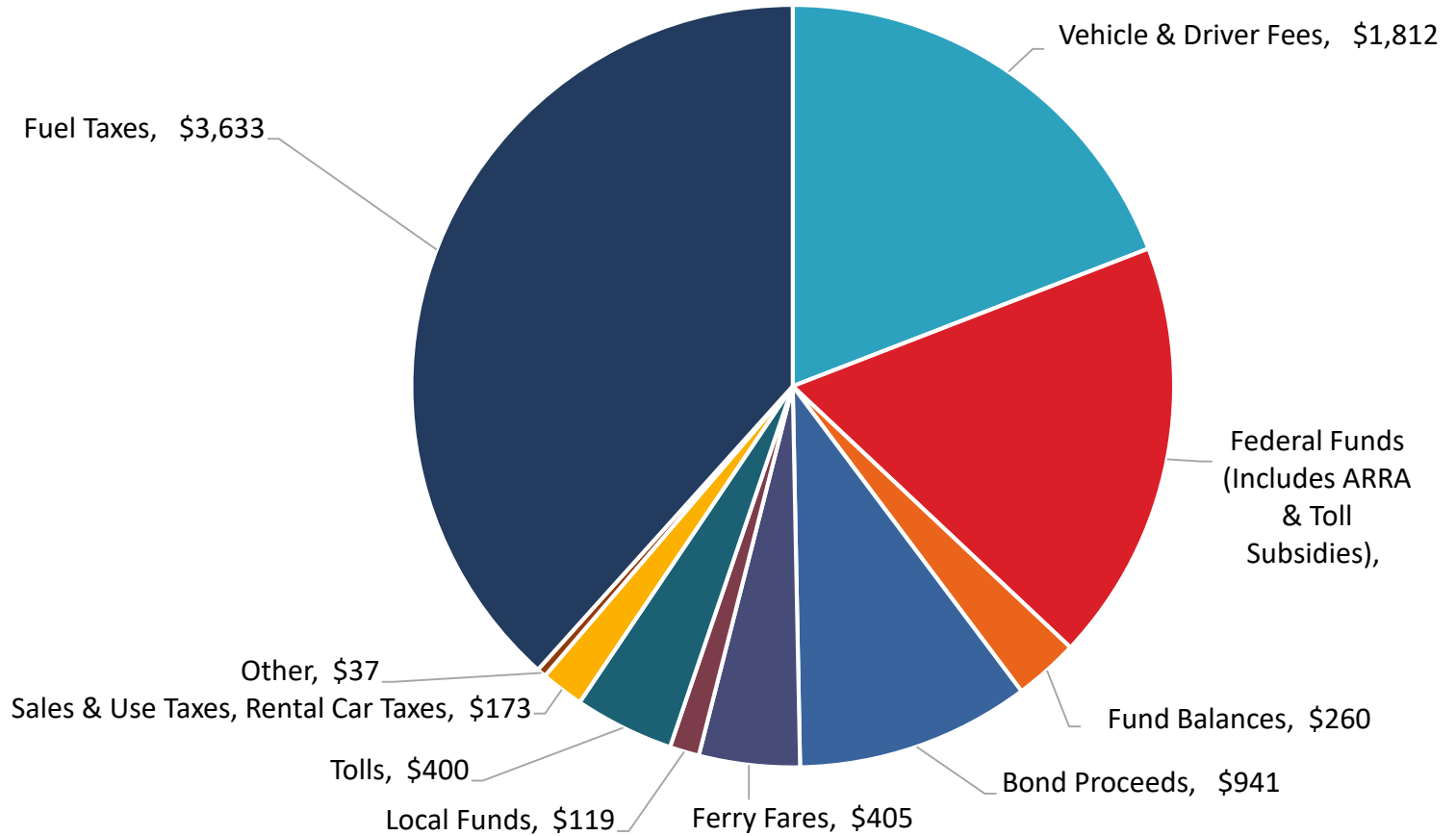
# What Makes the Transportation Budget Different?

- ▶ The principal sources of revenue, fuel taxes and vehicle license fees are:
  - Constitutionally dedicated to highway purposes 'via the 18<sup>th</sup> Amendment to the Constitution.'
  - Not expected to grow much as increases in consumption are estimated to be offset by higher fuel economy standards.
- ▶ It is the only policy area that is separately budgeted.
- ▶ It is accompanied by a long-range spending plan and construction schedule for capital projects.
- ▶ Unlike the Capital Budget, there is not a constitutional limitation on the amount of borrowing (for bonds).



# Revenues and Other Resources = \$9.5B

2017-19 Biennium  
(\$millions)



Source: September 2018 Revenue Forecast & Enacted 2018 Supplemental Budget



# Budgeted Expenditures = \$9.3B

2017-19 Biennium

(\$millions)

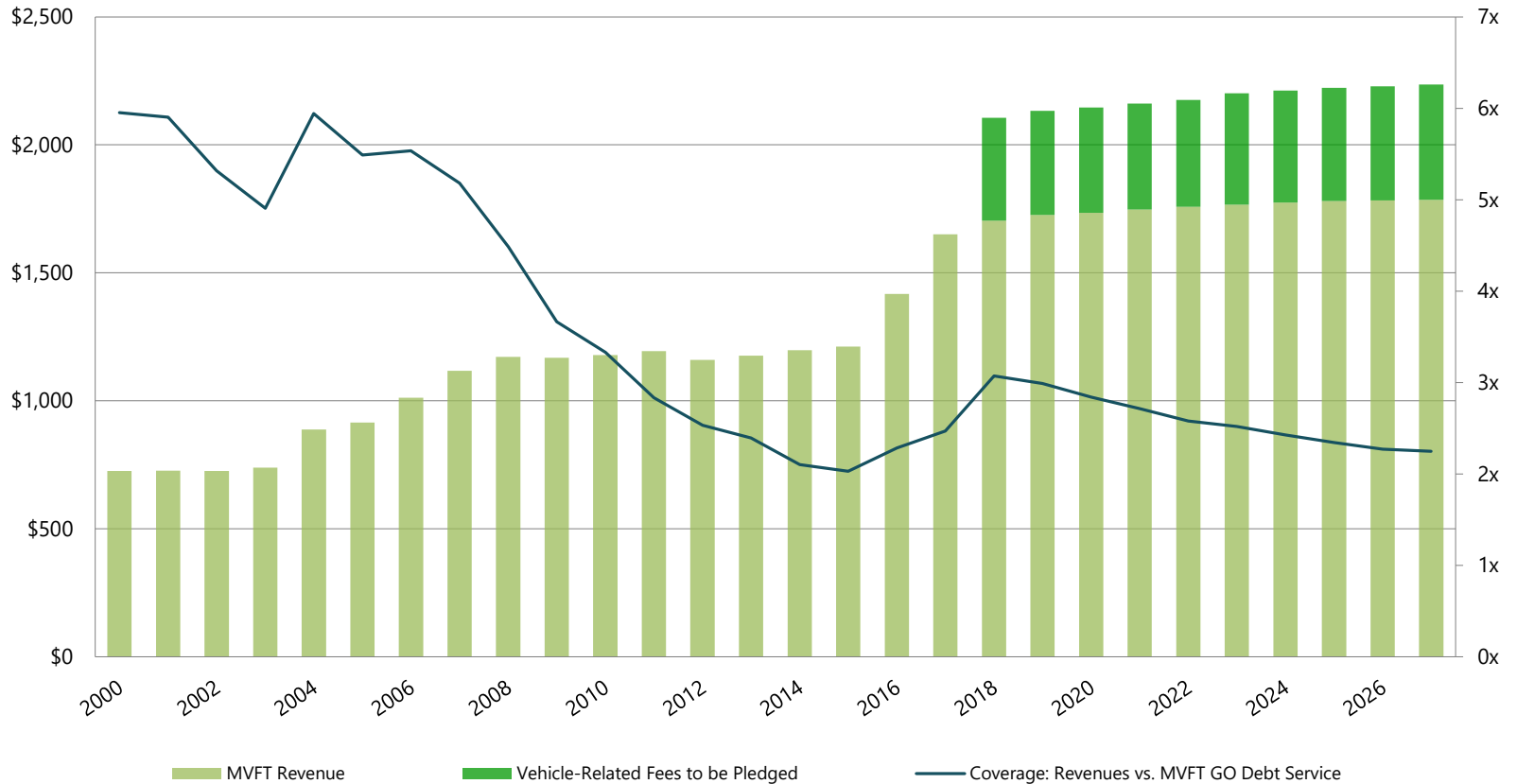
	Operating	Capital	Total Appropriation
<b>Department of Transportation:</b>	<b>1,905</b>	<b>4,419</b>	<b>6,323</b>
Improvements		2,489	
Preservation		936	
Highway Maintenance	467		
Traffic Operations	68	13	
Facilities	29	37	
Toll Operations & Maintenance	136		
WA State Ferries	519	451	
Rail	82	148	
Public Transportation	237		
Local Programs	14	346	
Aviation	14		
Other Programs	339		
<b>Washington State Patrol</b>	<b>511</b>	<b>5</b>	<b>515</b>
<b>Department of Licensing</b>	<b>367</b>		<b>367</b>
<b>Transportation Improvement Board</b>	<b>4</b>	<b>300</b>	<b>304</b>
<b>County Road Administration Board</b>	<b>5</b>	<b>102</b>	<b>107</b>
<b>Freight Mobility Strategic Invest</b>	<b>1</b>	<b>51</b>	<b>52</b>
<b>WA Traffic Safety Commission</b>	<b>28</b>		<b>28</b>
<b>Transportation Commission</b>	<b>3</b>		<b>3</b>
<b>Joint Transportation Committee</b>	<b>4</b>		<b>4</b>
<b>Other Agencies</b>	<b>14</b>		<b>14</b>
<b>Bond Retirement and Interest</b>	<b>1,621</b>		<b>1,621</b>
<b>Statewide Total</b>	<b>4,463</b>	<b>4,877</b>	<b>9,339</b>

Source: Enacted 2018 Supplemental Transportation Budget

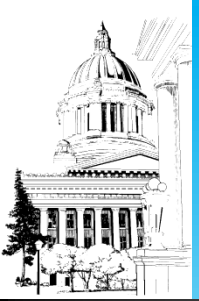


# Transportation Debt Service Coverage: Motor Vehicle Fuel Tax (MVFT) and Vehicle-Related Fees vs. MVFT General Obligation Debt Service\*

(\$millions)



\*Debt service projections based on the enacted 2018 supplemental transportation budget.  
 Source: Transportation Revenue Forecast Council, WSDOT, OST



# Transportation Budget: What to Expect in 2019?

- ▶ Continued focus on the implementation of 2015's Connecting Washington Act construction program.
- ▶ Winding down 2003 Nickel and 2005 Transportation Partnership Act construction program's projects including Alaskan Way Viaduct/SR 99 Tunnel.
- ▶ US Supreme Court affirmed deadline to replace approximately 1,000 fish culverts. Many of these must be complete before 2030, at an estimated cost of \$3.1B. Currently there is \$645M allocated to the activity through the 2029-31 fiscal biennium.
- ▶ WSDOT estimates unfunded needs of \$1.3B for highway preservation and \$500M highway maintenance (uninflated from 2013-15 discussions).
- ▶ Real ID implementation.
- ▶ Collective bargaining agreements for 2019-21 biennium.
- ▶ Tolled facility policy and budget issues.
- ▶ Ferry long range plan identifies need for 15-16 new vessels in the next 20 years.
- ▶ Possible Initiative to the Legislature limiting motor vehicle fees.