

# Senate Transportation Committee Chair & Ranking Member Budget Proposal

## 2024 Supplemental Transportation Budget

The Senate proposed budget provides \$14.6 billion in appropriation authority. \$8.4 billion is provided for capital projects and programs, and \$6.2 billion is provided for operating programs. This is an increase of \$1 billion over the 2023 enacted transportation budget. The majority of this increase is attributable to reappropriations of \$900 million in capital spending from the 2021-2023 fiscal biennium (See Fig. 1), \$324 million in new spending from additional Climate Commitment Act funds (see Fig. 4), increased operating spending, and updated project delivery information (see accompanying LEAP project lists). New Climate Commitment Act expenditures begin January 1, 2025. The proposed budget includes only spending items that can be paid for with anticipated resources, balancing the spending plan through the current 2023-2025 and subsequent 2025-2027 biennia. This is an important consideration when delivering multi-biennia capital projects.

Complete agency and WSDOT division appropriation totals, summary adjustments, and project lists are available in additional documents included in this budget release.

Fig. 1

<b>2021-2023 Biennium Capital Reappropriations into 2023-2025</b>	
<b>Program</b>	<b>Reappropriation Amount</b>
Facilities	638,798
Improvements	389,459,000
Preservation	251,913,000
Traffic	8,591,927
Ferries	99,521,631
Rail	48,838,282
Local Programs	104,410,000
<b>Total</b>	<b>903,372,638</b>

**Traffic Safety**

The Senate proposed budget emphasizes traffic safety investments and includes approximately \$31 million for a variety of traffic safety activities as listed in Fig. 2 and described in the narrative below.

**Fig. 2**

<b>Chair &amp; Ranking Member Budget Proposal -2024 Supplemental Traffic Safety Related Items</b>		<u>\$ in Thousands</u>
<b>Washington State Patrol</b>		
1	Third Trooper Class	\$5,905
2	Vacancy Savings Restoration	\$4,736
3	DUI/Oral Fluid Evaluation Pilot	\$1,696
4	State Toxicologist Funding	\$289
5	Ignition Interlock Compliance	\$250
6	Trooper Phlebotomist Coordinator	\$134
<b>WA Traffic Safety Commission</b>		
7	Public Education, Enforcement & Other Grant Increase	\$8,500
8	DUI Enforcement Grants	\$2,000
9	Ignition Interlock Compliance Pilot	\$750
10	Anonymized Speed Telematics Data	\$300
11	Light Meter Research	\$200
<b>WSDOT - Transportation Operations</b>		
12	Wrong-Way Driving Prevention Strategies	\$4,000
13	Highway Speed Safety Cameras	\$1,000
<b>Other Agencies</b>		
14	JTC - State Patrol Staffing Review	\$400
15	JLARC - Ignition Interlock Device Evaluation	\$400
16	Licensing - Impaired Driving Legislation (ESB 5032)	\$294
17	Licensing - Speed Safety Cameras Work Zones (SB 6115)	\$38
18	WSU - Sobriety Checkpoints Work Group	\$150
<b>Traffic Safety Items Total</b>		<b>\$31,042</b>

- \$5.9 million to the State Patrol for a 3rd trooper class, and \$4.7 million for the restoration of previously vacant trooper positions based on updated information, and contingency funding for overtime and other emergent issues.
- \$8.5 million to the WA Traffic Safety Commission for enhanced public education and enforcement efforts and to increase grants to local jurisdictions and community-based organizations for projects such as improving bike, pedestrian, and school zone safety.

- \$4 million to evaluate and identify 10-20 geographical locations across urban and rural settings to implement wrong way driving prevention strategies.
- \$2 million for a multi-faceted approach to supplement existing funding targeted at impaired driving and other enforcement, including additional high visibility enforcement, tribal traffic safety support, expanded training, and additional traffic enforcement equipment.
- \$1.7 million for the State Patrol to establish a pilot program to evaluate the outcomes and effectiveness of oral fluid roadside information used as part of the enforcement of driving under the influence laws.
- \$1 million for WSDOT to develop a highway speed safety camera pilot program to test two or three automated traffic safety cameras on state highways.
- \$1 million in combined funding for additional efforts at the state and local levels to improve compliance with ignition interlock device installation requirements associated with impaired driving offenses.

### **Capital Projects Delivery Improvements**

Project delivery challenges and anticipated cost increases have been addressed as much as possible within available resources. Several studies and initiatives are included to better prepare to address issues with project delivery in the future. These include:

- \$1.4 million for the Washington State Transportation Center to increase funding to address workforce shortages in civil engineering, environmental engineers, and related disciplines.
- \$81,000 for the Washington State Transportation Center, in consultation with the Board of Registration for Professional Engineers and Land Surveyors, to evaluate and provide recommendations on workforce shortages in civil engineering, land surveying, and related disciplines.
- \$400,000 for the Joint Transportation Committee to evaluate and provide recommendations on alternative project delivery methods.
- \$375,000 for the Joint Transportation Committee, in consultation with the Municipal Research and Services Center, to convene a work group to evaluate and provide recommendations on local project streamlining project delivery methods.
- \$300,000 for the Joint Transportation Committee to evaluate and provide recommendations on transportation project permitting practices.
- \$300,000 for the Joint Transportation Committee to evaluate and provide recommendations on innovative project delivery practices.
- \$150,000 for one Endangered Species Act liaison position to provide additional support for the multi-agency permit program.

- Direction provided to WSDOT to convene an expert review panel to review the planned procurement methods for specific projects listed in the bill prior to initiating requests for qualifications on these projects. After the panel’s recommendations have been provided, WSDOT may initiate new requests for qualifications incorporating the recommendations as appropriate.

## **2024 Operating Spending Summary**

The Senate proposed budget includes about \$6.2 billion in expenditures in operating programs. This is a net increase of about \$45 million over 2023 levels. Recognizing the challenges the ferry system is facing, ferry operating funding is increased by \$32.5 million. The majority of this increase is for labor initiatives intended to train, retain, and promote staff, and for support for local passenger only service while Washington State Ferries are not running at full service. Additionally, \$2 million in funds provided for transit coordination are targeted at agencies serving ferry terminals. Increased spending levels are offset by lower anticipated debt service payments.

Notable operating expenditure adjustments include:

### **Department of Transportation - Highway Operations and Maintenance**

- \$2 million to address risks to safety and public health associated with homeless encampments on WSDOT-owned rights-of-way, which brings the total to \$9 million.

### **Department of Transportation – Ferries**

- \$10 million for additional vessel crew members, both deck and engine, across the system.
- \$4 million to support Kitsap Transit service to Bremerton.
- \$3.2 million to support King County Water taxi service to and from Vashon Island.
- \$2.1 million for two additional classes for Able Bodied sailors to obtain mate credentials.
- \$2 million to expand the multi-ride passes to 120 days through June 30, 2025.
- \$988,000 for additional entry level engine room positions.
- \$600,000 to study passenger only ferry options in the San Juan Islands.
- \$540,000 to increase stipends for new mate scholarship awardees.
- \$169,000 to add an additional service planning position.
- \$80,000 to add an additional Orcas Island sailing in the summer.

### **Department of Transportation - Public Transportation**

- \$2 million to expand transit coordination grants for agencies serving Washington State ferry terminals.
- \$1.2 million to continue study on statewide transit access.

### **Department of Transportation - Public-Private Partnerships**

- \$4 million fund transfer from the state General Fund to complete an electric vehicle mapping and forecasting tool.

### Department of Transportation - Other Programs

- \$9 million in various WSDOT programs, to restore a portion of the vacancy savings assumed in original 2023-2025 budget.
- \$4.1 million in various WSDOT programs for additional costs associated with replacement parts for the department's vehicle fleet.
- \$2 million for the supply chain competitiveness infrastructure grant and loan program created in SSB 6302.
- \$1 million to begin planning transportation strategies that limit single-occupancy vehicles during Seattle World Cup events.
- \$870,000 for increased annual insurance costs for the SR 520 Bridge and Tacoma Narrows Bridge.
- \$500,000 to explore alternative uses of the state's highway rights-of-way including the department's utilities accommodation policy, vegetation management plans, and identification of existing highway rights-of-way suitable as designated energy corridors.
- \$500,000 to plan and begin preliminary engineering necessary to advance wildlife corridor projects in preparation for federal grant opportunities.
- \$275,000 to support youth zero fares in county ferry systems.
- \$100,000 to conduct an actuarial study of self-insurance for the SR 520 Bridge.
- Directed is provided to WSDOT, in consultation with the Transportation Commission, to initiate planning work in anticipation of segment tolling on the SR 520 Corridor.

### Department of Ecology

- \$15.7 million for grants to transition diesel school buses and other student transport vehicles to zero emissions vehicles, and funds necessary infrastructure work.

### Washington State Patrol

- \$2.3 million for the migration of the agency's active directory into the state Enterprise Active Directory managed by Washington Technology Solutions.
- \$1.9 million for a settlement agreement and payout costs in the *Washington State Patrol Troopers Association v. Washington State Patrol* unfair labor practice claim dealing with employees discharged for non-compliance with the vaccine mandate.
- \$300,000 for individual gun safes for troopers and other staff to allow the safe storage of firearms used in performance of their duties.
- \$250,000 to conduct a pilot expansion of the activities of the License Investigation Unit operating in southwestern Washington to King County.
- (\$2.1 million) in savings by adjusting funding for academies, recruitment bonuses, and technology upgrade costs provided in the original 2023-2025 biennial budget based on updated information.

### Department of Licensing

- \$2.1 million for a public awareness campaign related to the enforcement of the federal REAL ID Act in May 2025.

- \$1.6 million for a new Prorate and Fuel Tax Discovery team that will enforce compliance with fuel tax laws through detection and assessment of untaxed and unreported activities pursuant to EHB 1964.
- \$1.6 million for change order requests and improvements for its Driver and Vehicle (DRIVES) and Prorate and Fuel Tax (PRFT) licensing and information systems.
- \$1.2 million for relocation costs for Licensing Service Offices, including one-time facility improvements, IT infrastructure, and furniture.
- \$790,000 for budget and accounting staff to meet accounting requirements and improve budgetary oversight.
- \$500,000 for additional contracts with organizations providing driver's license assistance and other related support services.
- (\$2.1 million) in one-time savings based on projected staff vacancies for fiscal year 2025. The vacancy savings exclude Licensing Service Representative positions to avoid impacting REAL ID implementation.

#### Western Washington University

- \$140,000 for an economic impact study of Washington State Ferries system.

#### The Evergreen State College

- \$188,000 for the Washington State Institute of Public Policy to conduct an assessment of air travel demand and carbon reduction technologies.

#### Transportation Commission

- Direction provided to initiate a public outreach campaign regarding the potential for implementing segment tolling on the SR 520 Corridor

### **2024 Capital Spending Summary**

Capital programs total \$8.4 billion, including \$4.8 billion for highway improvements and \$1 billion for highway preservation. Despite cost increase challenges and stagnant resources, the proposed budget provides an additional \$150 million for preservation in the current biennium. Given the unprecedented size of the capital program, this proposed budget recognizes there may be some delivery challenges and includes a 10% underrun assumption from certain accounts supporting the Improvements Program. This assumption contributes to balancing the capital spending program against available resources though the 2025-2027 biennium. While project list totals are not impacted by this assumption, appropriations for the Improvements Program and WSDOT Local Programs are reduced by \$445 million and \$40 million respectively across the Connecting Washington Account, Move Ahead Washington Account, and Motor Vehicle Account to reflect this delivery expectation.

### Accommodated Project/Program Increases

- \$150 million in funding acceleration for Fish Passage Barrier Removal.
- \$150 million is provided for highway preservation. This is made up of \$100 million in accelerated Move Ahead WA state funds, and \$50 million for construction of active transportation components on preservation projects consistent with complete streets requirements from new Climate Commitment Act funds.
- \$52 million cost increase on the SR 520 Seattle Corridor Improvements – West End project, includes Portage Bay Bridge project and remaining costs on Montlake and SR 520/I-5 Express Lanes Connection project. The total increase including later biennia is \$770 million. Assuming a \$140 million sales tax deferral and additional funds from future SR 520 segment tolling assists in accommodating the cost increase.
- \$21 million cost increase on the SR 167 Corridor Improvements Project. \$16 million in 2023-2025 and \$5 million in 2025-2027.
- \$253 million in increased costs for I-405/Brickyard to SR 527. This budget assumes "Alternative 3" from the Executive Advisory Group recommendations, which delays three remaining I-405/SR 167 corridor projects by 2-10 years and utilizes the recently approved toll rate increases on I-405/SR 167 to balance funding within the corridor.
- \$307 million in increases for the WSF hybrid vessel conversions and new vessels, with \$237 million of this increase accommodated with new Climate Commitment Act funds.
- \$45 million in increases for terminal electrification, with \$24 million of this increase accommodated with new Climate Commitment Act funds.

Other notable capital project expenditures include:

### Department of Transportation – Ferry and Rail Funding

- \$30 million for vessel and terminal preservation.
- \$24 million for terminal electrification.
- \$22 million for rehabilitation of the Salmon Bay Bridge.
- \$1.5 million for predesign work for Issaquah class replacement vessels.

### Department of Transportation – Highway Funding in 2023-2025:

- \$1.3 billion from all fund sources for state Fish Passage Barrier Removal projects, which is an increase of \$150 million over the 2023 enacted budget.
- \$795 million for the SR 167/SR 509 Puget Sound Gateway project.
- \$478 million for the SR 520 Seattle Corridor Improvements - West End project.
- \$462 million for the I-405/Renton to Bellevue - Corridor Widening project.
- \$326 million for the I-405/SR 522 to I-5 Capacity Improvements project.
- \$275 million for the I-5 Columbia River Bridge project.
- \$209 million for the I-5 JBLM Corridor Improvements project.
- \$192 million for the US 395 North Spokane Corridor project.
- \$144 million for the I-90 Snoqualmie Pass - Widen to Easton project.
- \$137 million for the I-90/SR 18 Interchange Improvements project.

- \$24 million in state funds for a federal funds exchange pilot to allow local governments to exchange their federal funds with state funds at a rate of 95 cents to 1 dollar.

**Resources**

This proposed budget is based on the February 2024 transportation revenue forecast. This forecast, like the three other quarterly forecasts since the 2023 legislative session, reflects a minor net change in overall expectations for transportation revenues. While revenue estimates remain largely unchanged from a year ago, the projected average growth rate of transportation revenues is approximately 1.4% per year, or slightly above the projected growth in the state population. This constrained resource environment is one factor contributing to transportation accounts being balanced for 4-years rather than a longer-term planning horizon.

As in prior years, the proposed budget is further supported by federal formula funds, bond sales, and some pre-existing account balances. All transportation accounts are anticipated to be balanced through the 4-year planning horizon.

Bonding from several accounts is assumed at slightly lower amounts than in 2023 (Fig. 3). Actual bond sales will be determined based on project schedules as they adjust throughout the biennium.

**Fig. 3**

<b>Bond Fund Title</b>	<b>2023-2025</b>
Transportation Partnership Account	51
Connecting Washington Account	1,119
Special Category C Account	113
Transportation 2003 Acct (Nickel)	0
I-405/SR 167 Express Toll Lanes Op	0
<b>Total Estimated Bond Sales</b>	<b>1,283</b>

**New Funding Assumptions Compared to the 2023 Enacted Transportation Budget:**

Revenue Forecast. The 2024 proposed budget uses the February 2024 revenue forecast as a base for revenues. This forecast is \$6.99 billion for 2023-2025, which is down \$55.6 million, or 0.8%, when compared to the March 2023 forecast used by the Legislature to inform the 2023 enacted budget.



Additional Climate Commitment Act Revenues. An additional \$324 million above the statutory amounts allocated to the transportation budget are assumed and provided as a transfer from the operating budget to the Carbon Emissions Reduction Account. This transfer has an effective date of January 1, 2025. See section Fig. 4 for details on associated spending. Combined with the \$984 million in 2023 appropriations and \$16 million in reappropriations from 2021-2023, Climate Commitment Act revenues support a total of \$1.3 billion in the proposed budget.

New Competitive Grants Since the 2023-2025 Enacted Budget.

- \$600 million for the I-5 Columbia River Bridge Replacement from the National Infrastructure Project Assistance Grant (Federal Highway Administration).
- \$200 million for Washington and Oregon for the Hood River bridge from the Nationally Significant Multimodal Freight & Highway Projects program (INFRA).
- \$72.8 million for Palouse River & Coulee City Railroad rehabilitation from the Consolidated Rail Infrastructure and Safety Improvements (CRISI).
- \$12 million for truck parking availability for Washington, Oregon, and California from the Nationally Significant Multimodal Freight & Highway Projects program (INFRA).
- \$4.8 million for Washington State Ferries passenger upgrades from the Federal Transit Administration's Ferry Programs grants.
- \$500,000 each from the Federal Rail Administration Corridor Identification and Development program for Cascades corridor and High-speed rail.

EHB 1964 (prorate and fuel tax collections). Pursuant to EHB 1964, funding is provided for a new Prorate and Fuel Tax Discovery team within the Department of Licensing (DOL) that will enforce compliance with fuel tax laws through detection and assessment of untaxed and unreported activities. DOL estimates that this proposal will increase revenue collections by approximately \$8 million per year starting in fiscal year 2026.

State General Fund Transfers. The proposed budget assumes an additional \$18 million in transfers from the state General Fund. \$14 million of this amount is provided to cover some cost increases for budget items in transportation agencies that are split between the operating and transportation budgets (e.g., "One WA" and State Patrol cost-allocation adjustment). \$4 million of the total is provided to fund electric vehicle mapping, which shifts from being funded in the operating budget to being funded in the transportation budget.

Model Toxics Control accounts. As part of an agreement related to the new Climate Commitment Act funds provided to the transportation budget, two new items in the transportation budget are funded from the Model Toxics Control accounts: \$15.7 million for zero emission school buses, and \$15M for stormwater.

Tolling. Updated information and new assumptions allow for additional tolling to be assumed on the I-405, Gateway Facility, and SR 520 corridor. Increased revenues from tolls help balance the accounts that fund these projects.

**Fig 4**

<b>NEW Climate Commitment Act Funding Allocations, Beginning January 1, 2025</b>	
<b>Transportation Budget: Senate Chair &amp; Ranking Proposed</b>	
(Dollars in Thousands)	
	<b>Amount</b>
1. Tribal Grants for Electric Boats	5,000
2. Hybrid Electric Vessel Construction	125,000
3. Vessel Conversions MAW	40,000
4. Highway Preservation	50,000
5. #1 New Vessel - 144 Hybrid Electric	42,000
6. Electric Ferry - Conversion	30,145
7. Terminal Electrification MAW	2,855
8. Seattle-Bainbridge Island Terminal Electrification	21,100
9. Hydrogen Infrst. Grants & Fed Match	20,000
10. Port Electrification Competitive Grants	8,500
11. Mountains to Sound Greenway Trail "Bellevue Gap"	6,600
12. Maple Valley Pedestrian Bridge over SR 169	5,000
13. Kitsap Transit Hydrofoil Design	4,000
14. North Aurora Safety Improvements	4,000
15. Columbia Heights Safety Improvements	2,000
16. Transit Coordination Grants	2,000
17. Columbia County PT Base Refurbish	1,500
18. Pierce Transit Meridian Project	1,300
19. Olympic Discovery Trail/ US 101 Safety Project	1,298
20. Frequent Accessible Transit Studies	1,200
21. North Broadway Pedestrian Bridge	1,200
22. Yakima Greenway Active Transportation	1,200
23. Bluff Trail Hood River to White Salmon	1,000
24. La Center Pac. Hwy Shared Use Path	1,000
25. SR 240/ Aaron Dr Complete Streets Improvements	1,000
26. State Route 547 Pedestrian and Bicycle Safety Trail (Kendall Trail)	1,000
27. Wallace Kneeland Blvd Active Transportation	1,000
28. World Cup Transportation Planning	1,000
29. Wide Hollow Creek Active Transportation Improvements	900
30. Cowiche Canyon Trail	800
31. Eustis Hunt and 216th Sidewalks	664
32. 72nd Ave & Washington Ave Active Transportation Components	500
33. County Youth Ferry Fares	275
34. Tribal Transit Technical Correction	167
35. Commercial Vehicle Infrast./Incent.	-61,300
<b>New Spending Total:</b>	<b>323,904</b>