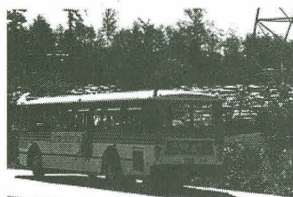


Key Facts



A Summary of Useful Transportation Data January 1995

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Key Facts

**A Summary of Useful
Transportation Data**
January 1995



**Washington State
Department of Transportation**

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Introduction

Key Facts is a summary of useful data related to transportation in the State of Washington. The Washington State Department of Transportation (WSDOT) has prepared and distributed Key Facts in a variety of forms since 1983. Key Facts is not intended to be encyclopedic. Rather, it is intended to provide an introduction to the structure of state and regional transportation agencies; to present graphic illustrations of transportation trends and revenue forecasts; and to summarize the biennial budget.

The Washington State Transportation Commission is a seven-member voluntary citizens' board. Its members are appointed by the Governor with the consent of the Senate. The Commission is empowered:

- to propose legislation related to transportation;
- to establish transportation policies of the State;
- to direct the Secretary of Transportation to prepare and submit a statewide transportation plan;
- to approve and propose the biennial and supplemental transportation budgets;
- to approve issuance and sale of highway bonds; and
- to exercise other powers as vested in it by state law (RCW 47.01).

By law, representation on the Commission must be balanced. Four commissioners must reside in the western part of the state and three must reside east of the Cascades. No more than four commissioners may be members of the same political party. Terms for the seven seats on the Commission are staggered. Each member is appointed to one seat, and no member may serve more than two consecutive terms. There is currently one vacancy on the Commission.

Transportation Commission

Commission Members

Alice Tawresey - Kitsap County

Ms. Tawresey was appointed by Governor Booth Gardner in September 1990 and reappointed by Governor Mike Lowry in February 1993. Her current term will expire in June 1998.

Aubrey Davis - King County

Mr. Davis was appointed by Governor Gardner in February 1992 and reappointed by Governor Lowry in February 1993. His current term will expire in June 1995.

Connie Niva - Snohomish County

Ms. Niva was appointed by Governor Lowry in February 1993. Her current term will expire in June 1997.

Pat Patterson - Whitman County

Mr. Patterson was appointed by Governor Lowry in August 1994. His current term will expire in June 1999.

Dick Thompson - Kittitas County

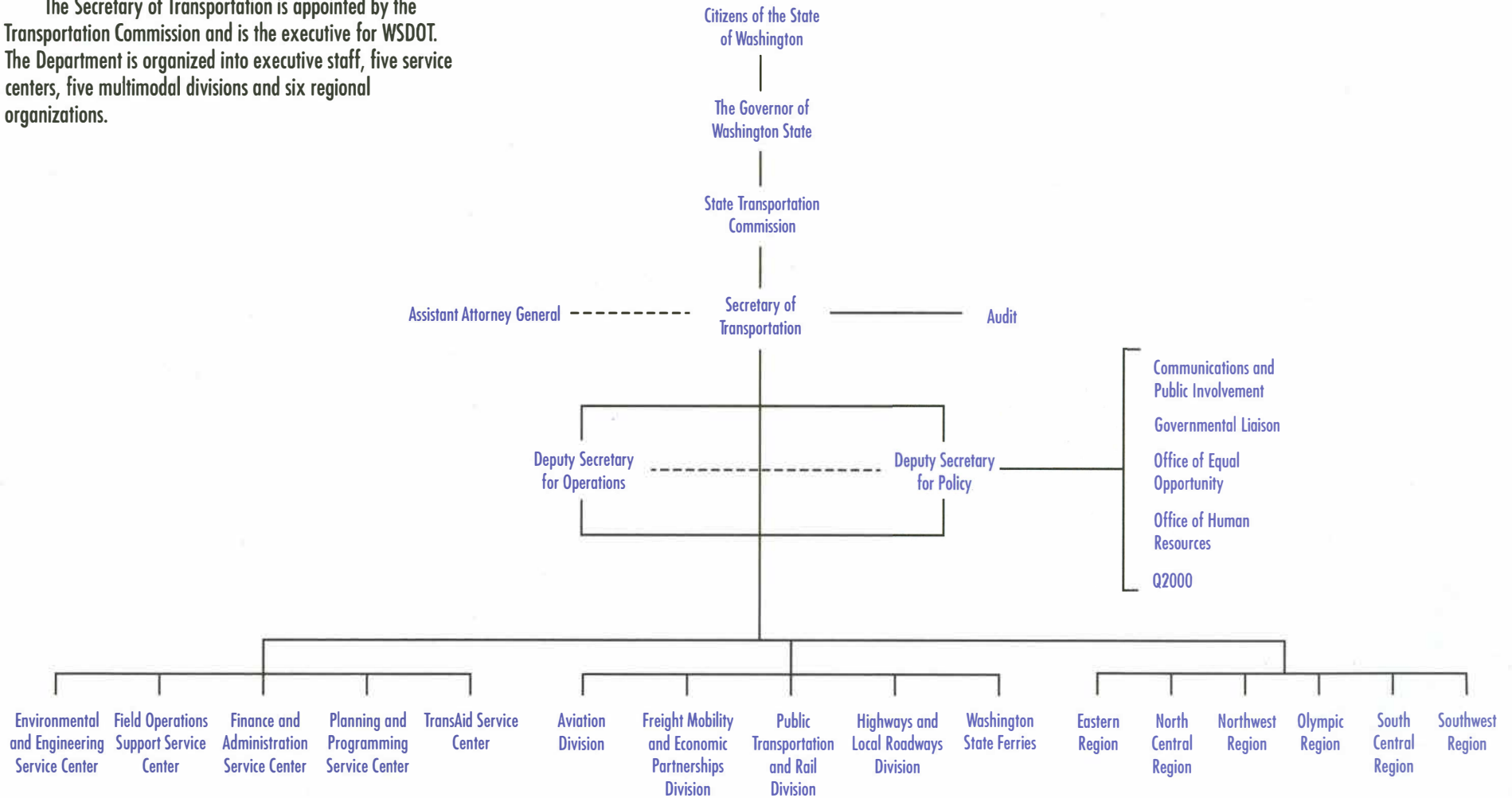
Mr. Thompson was appointed by Governor Lowry in February 1994. His current term will expire in June 1994.

Linda Tompkins - Spokane County

Ms. Tompkins was appointed by Governor Lowry in February 1993. Her current term will expire in June 1996.

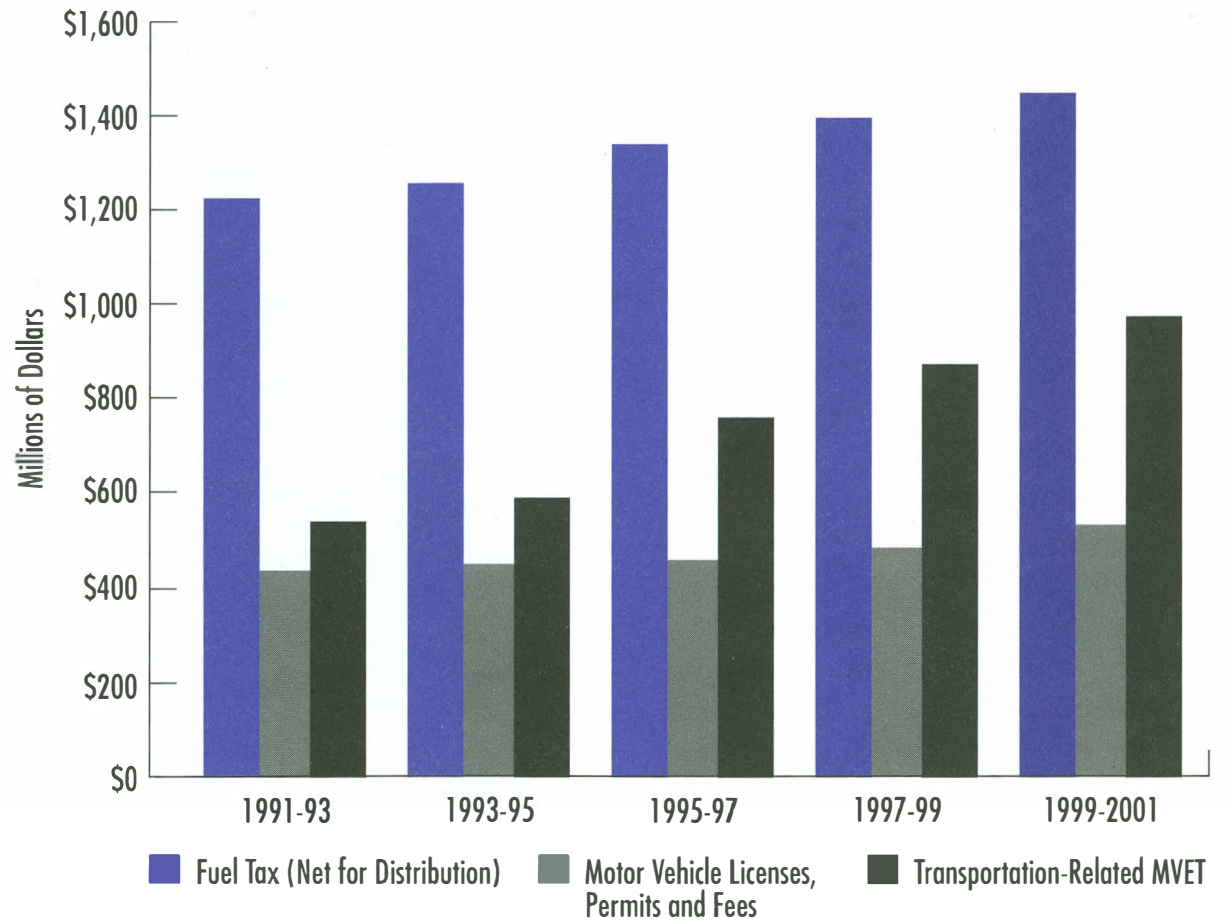
WSDOT Organization

The Secretary of Transportation is appointed by the Transportation Commission and is the executive for WSDOT. The Department is organized into executive staff, five service centers, five multimodal divisions and six regional organizations.



Major Sources of State Transportation Revenue

There are three principal state-imposed and -collected sources of revenue for transportation in Washington: motor fuel taxes—especially gasoline taxes; licenses, permits and fees for using the transportation system; and the motor vehicle excise tax (MVET) based on vehicle value. Of these sources, forecasts indicate that the MVET has the best base to keep up with growth and inflation. The gasoline tax will continue to provide revenue for highway purposes but does not respond well to growth in system use or the cost of doing business.



State Motor Fuel Tax History

1921	1 cent
1924	2 cents
1929	3 cents
1931	5 cents
1949	6.5 cents
1961	7.5 cents
1967	9 cents
1977	Variable 21.5 percent of retail price, net of taxes 12 cent lid Enacted at 11 cents
1979	12 cents Rose to lid
1981	Variable Changed to 10 percent of retail price, net of taxes 12 cent floor Enacted at 13.5 cents first 6 months, then fell to 12 cent floor
1983	10 percent variable repealed Increased to 16 cents July 1983
1984	18 cents in July 1984
1990	22 cents in April 1990
1991	23 cents in April 1991

Gas Tax Distribution

Following are the computed equivalent cents based on legislated distribution after deductions for rebates and transfers for non-highway use, Department of Licensing's cost of collection, and State Treasurer's cost of distribution.

Dedicated 17 Cent Distribution (RCW 46.68.100)

Urban Arterial Trust Account	1.21 cents
Counties	3.87 cents
Cities	1.96 cents
Ferry Operations	0.54 cent
Ferry Capital Construction	0.55 cent
State Urban Highways	1.18 cents
State	7.69 cents
Total	17.00 cents

Dedicated 1 Cent Distribution (RCW 82.36.025)

Rural Arterial Program	0.33 cent
Urban Arterial Program	0.33 cent
State Highway Construction	0.33 cent
Total	1.00 cent

Dedicated 4 Cent Distribution (RCW 46.68-effective 4/1/90)

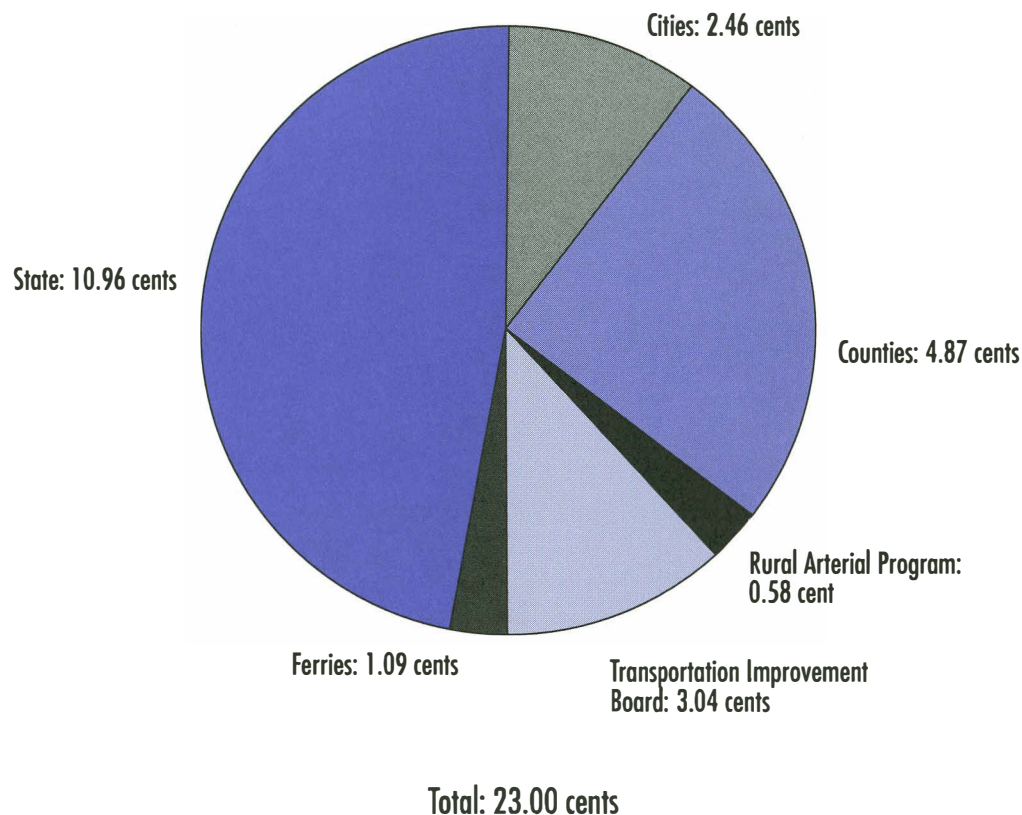
Department of Transportation	1.00 cent
Cities	0.50 cent
Counties — Regular Distribution	0.30 cent
Counties — Arterial Preservation	0.45 cent
Transportation Improvement Board	1.50 cents
Rural Arterial Program	0.25 cent
Total	4.00 cents

Dedicated 1 Cent Distribution (RCW 46.68-effective 4/1/91)

Special C Program	0.75 cent
Counties — Regular Distribution	0.25 cent
Total	1.00 cent

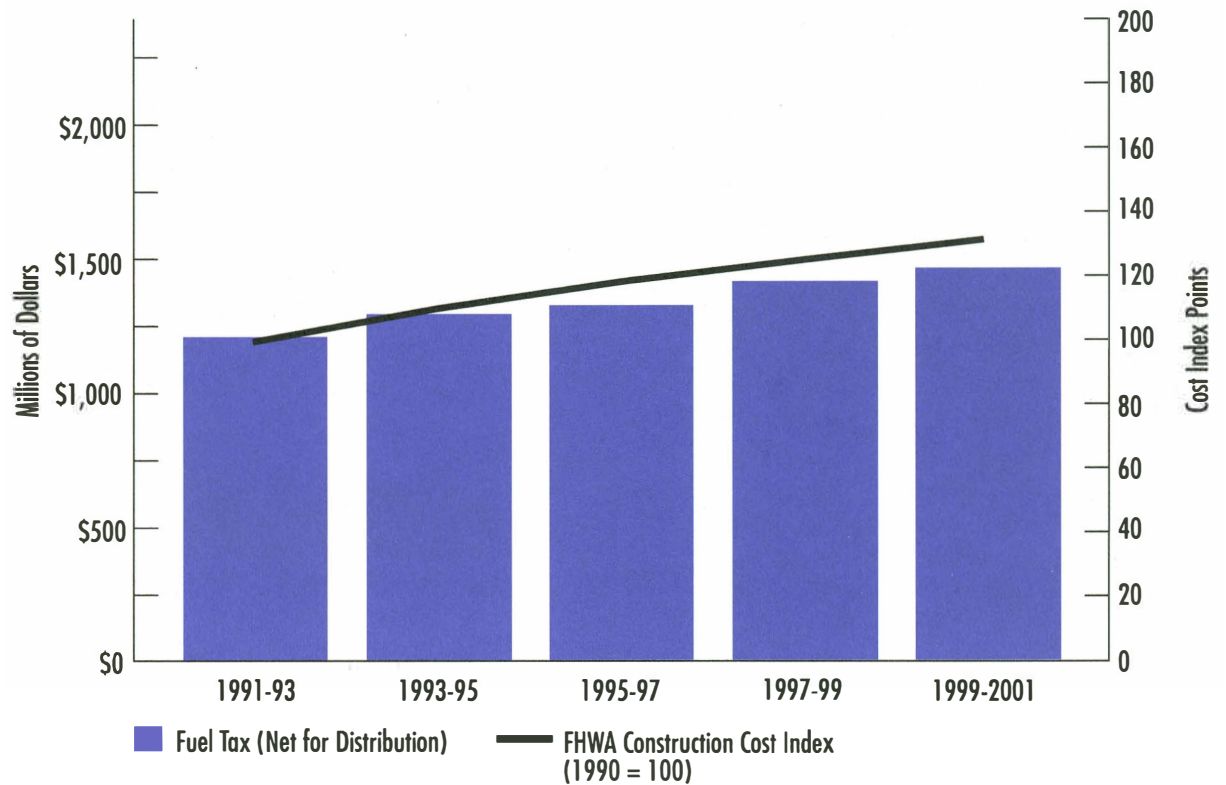
Gasoline Tax Revenue Distribution

The 18th Amendment to the Washington State Constitution dedicates motor fuel tax proceeds to "highway purposes." WSDOT highway programs receive about half the revenues from the gasoline tax. A nearly equal amount is distributed among city, county, and other agency roadway programs. The remainder pays for ferry operations and capital improvements (ferries are considered highway purposes under the amendment).



Gasoline Tax Revenue vs. Construction Inflation

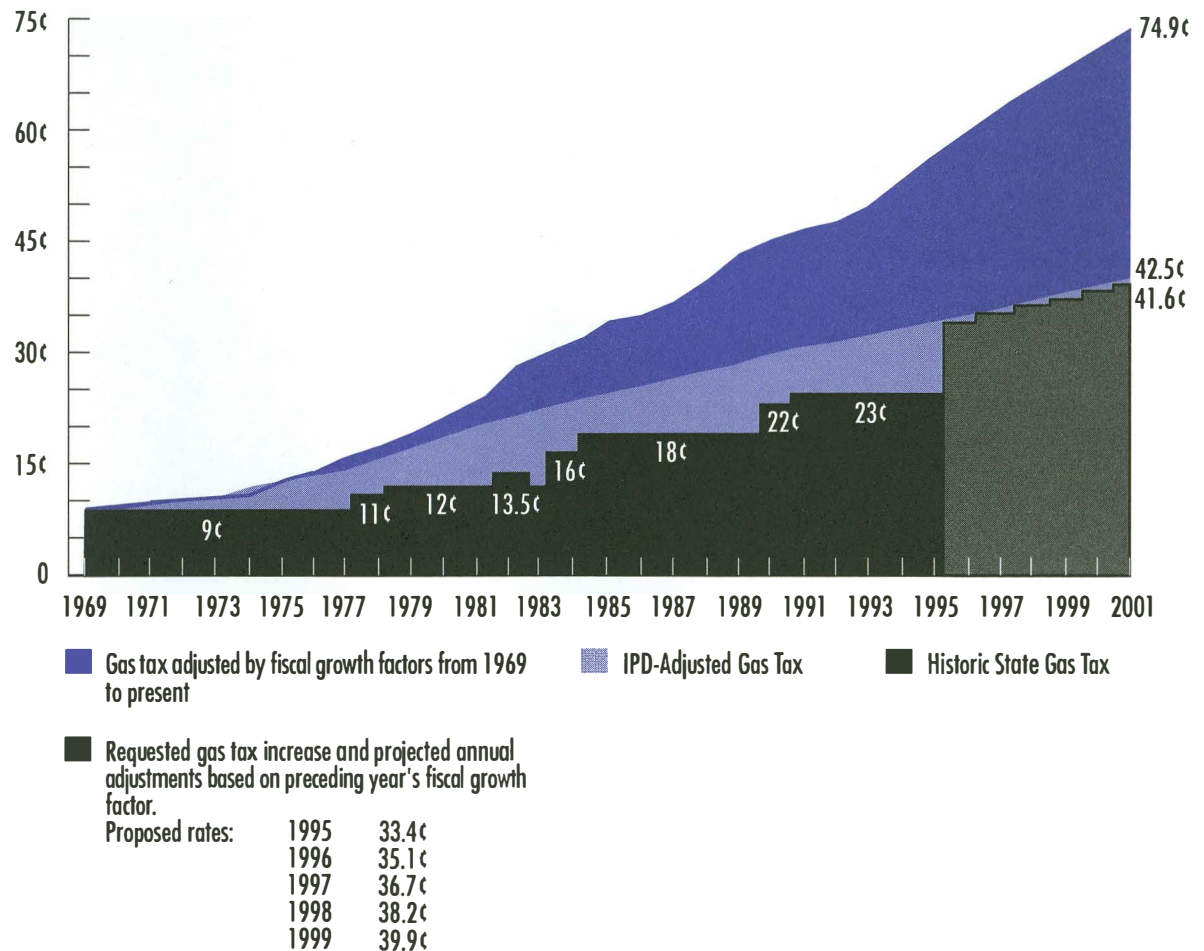
Although the gasoline tax provides more revenue for transportation than any other state tax (see "Major Sources . . .", p. 4), this tax does not keep up with inflationary trends in the costs of construction. These costs have historically tended to rise and fall in cyclical patterns; however, the overall trend has been on the upswing. We can expect fuel tax revenues to purchase fewer and fewer improvements in the coming years.



State Gas Tax vs. Inflation and Growth

Washington State's gasoline tax has been raised occasionally over the last quarter-century. Increases in the tax have typically been levied in response to pressing needs and perceived crises rather than according to any authorized standard or schedule. If the gas tax was related to a measure of costs—e.g., if tax increases were triggered by increases in transportation needs—then an even stream of revenue could be raised and potential crises could be avoided in a way that would appear rational to the driving public. This means that we could be addressing transportation needs early rather than waiting until conditions become intolerable.

In November 1993, the Washington voters approved Initiative 601, limiting increases in state general fund expenditures to a "fiscal growth factor:" the average sum of inflation and population changes of the prior three fiscal years. The adjacent chart shows what gasoline tax rates would be if the 1969 tax rate of nine cents per gallon had been keyed to inflation or the fiscal growth factor. Current forecasts indicate that with a nine cent increase effective in January 1996 and subsequent indexing to the fiscal growth factors, the tax rate would recover much of its 1969 value.

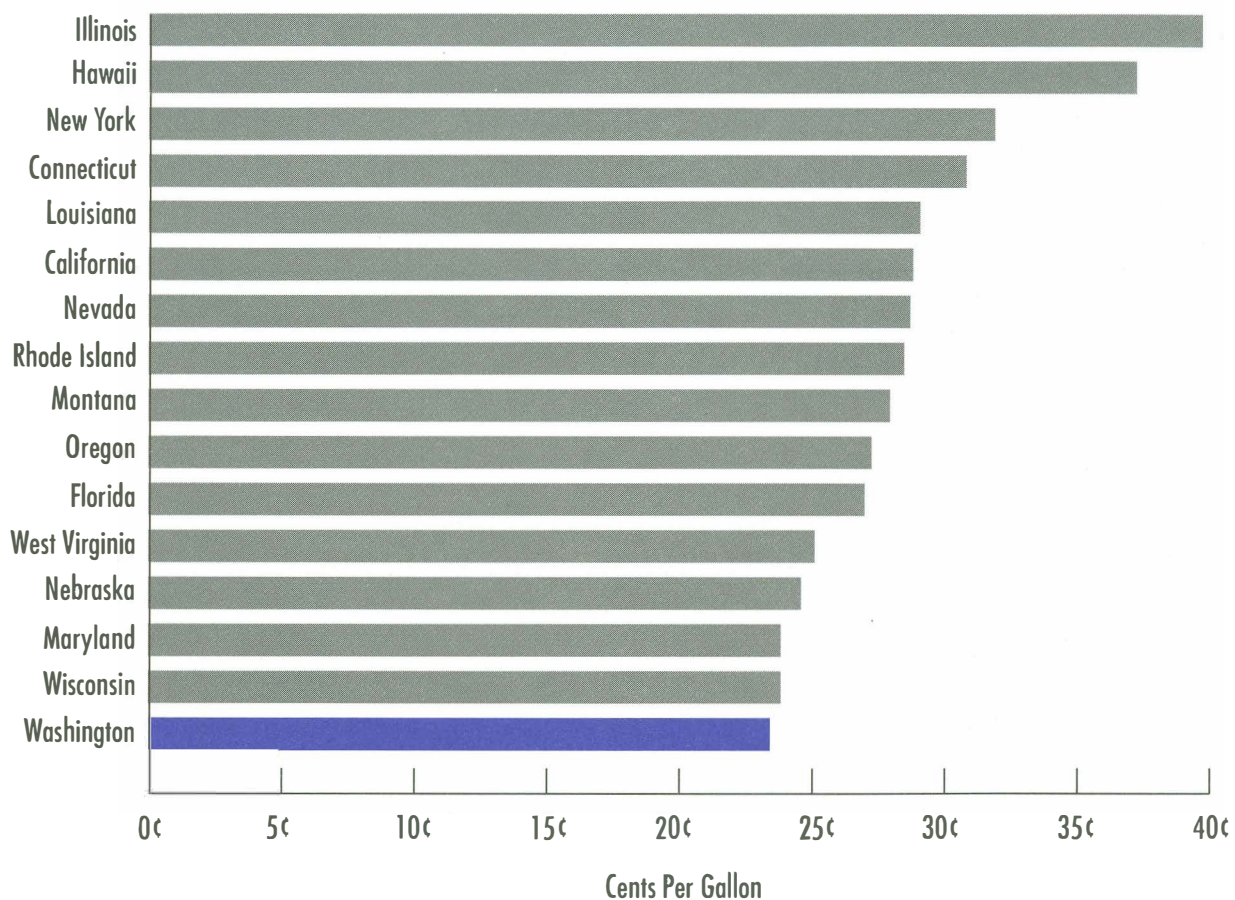


Combined State and Local Gasoline Tax Rates

Most of the 50 states tax gasoline at rates in excess of 19¢ per gallon. Many states also charge other taxes, fees and surcharges on gasoline. When these charges are added to the excise tax on gasoline, the actual tax rate can increase substantially—in Illinois, for example, it actually doubles.

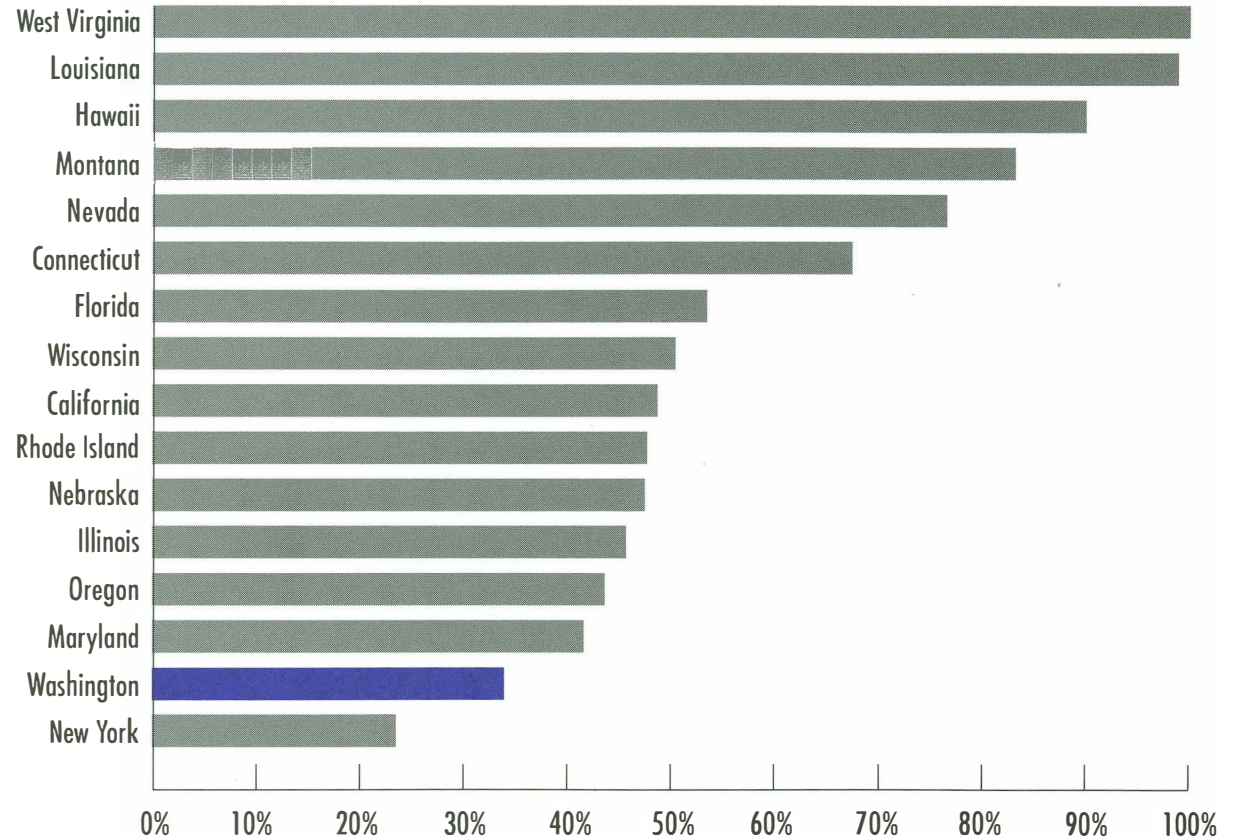
In November 1994, Washington's combined non-Federal gasoline tax rates ranked 16th among the 50 states.* Illinois' rates were highest at over 39¢ per gallon.

Washington's tax rate of 23.12¢ per gallon includes the state excise tax of 23¢ and the Oil Spill Response and Administration fee of 5¢ per barrel (.12¢ per gallon).



State Highway Income from Motor Fuel Taxes

The same states that impose high gasoline taxes also depend on that revenue source to fund state-owned highways. In other words, fuel taxes are highest in those states where the highway program are most dependent on the fuel tax for income. In 1992, 14 of the 15 states with gasoline tax rates higher than that of Washington spent a greater proportion of their fuel tax revenues on state highways. Nearly 32% of Washington's fuel tax revenues are directly distributed to city and county governments.

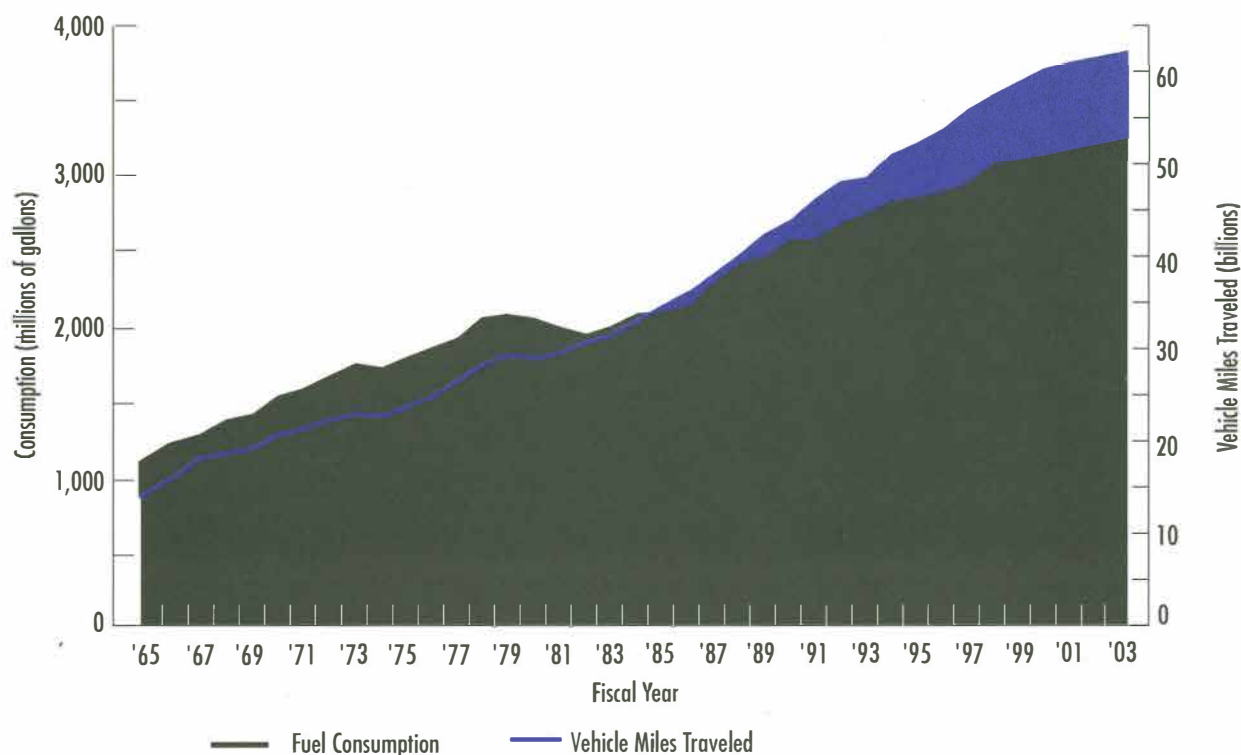


Fuel Consumption vs. Vehicle Miles Traveled (VMT)

“Vehicle Miles Traveled”, or VMT, is one of the means by which highway engineers and planners measure highway system use. It amounts to the total miles traveled by all vehicles for a section or network of roadways during a given amount of time. In this instance, it refers to the annual total vehicle miles traveled on all state roadways between the years 1965 and the present, and the amount forecasted through 2003.

“Fuel Consumption” on the adjacent chart refers to highway use consumption—i.e., the amount of fuel which is actually used for roadway travel, excluding fuel for farm vehicles and other non-highway uses.

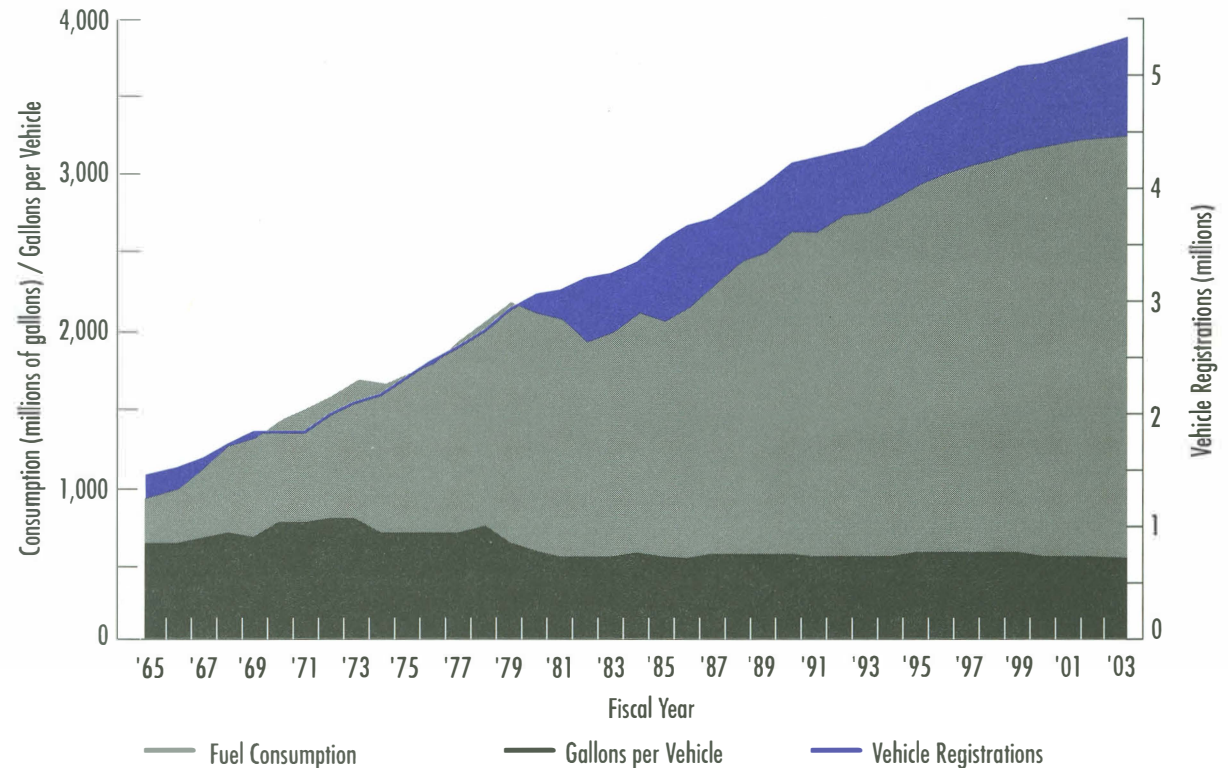
The chart clearly shows that VMT has been increasing at a faster rate than fuel consumption since the mid-1970s, and this trend is projected to continue into the next century. The difference between the growth rates implies that factors other than fuel consumption are driving the upward trend in VMT. (See next page, “Fuel Consumption vs. Vehicle Registrations.”)



Fuel Consumption vs. Vehicle Registrations

Another major factor driving the growth of VMT is the number of vehicles on the road. Increasing numbers of vehicle registrations have outpaced the annual growth of fuel consumption, although at a somewhat lesser rate than that of the increase in VMT. The declining consumption of gallons-per-vehicle suggests one answer for the slower growth of consumption—increased fuel efficiency since the mid-1970s.

Looking at the transportation system, we find that increasing numbers of cars are being driven more vehicle-miles on our roadways, requiring greater expenditures for highway improvements. Since our gasoline tax is levied by the gallon, the amount of revenues we need to maintain an adequate system will require regular increases in the tax rate—not only to account for inflation, but also to ensure that drivers of more efficient cars pay their fair share of the cost of roadways. At the same time, we continue to look for other ways to finance transportation improvements that are less dependent on the consumption of gasoline.



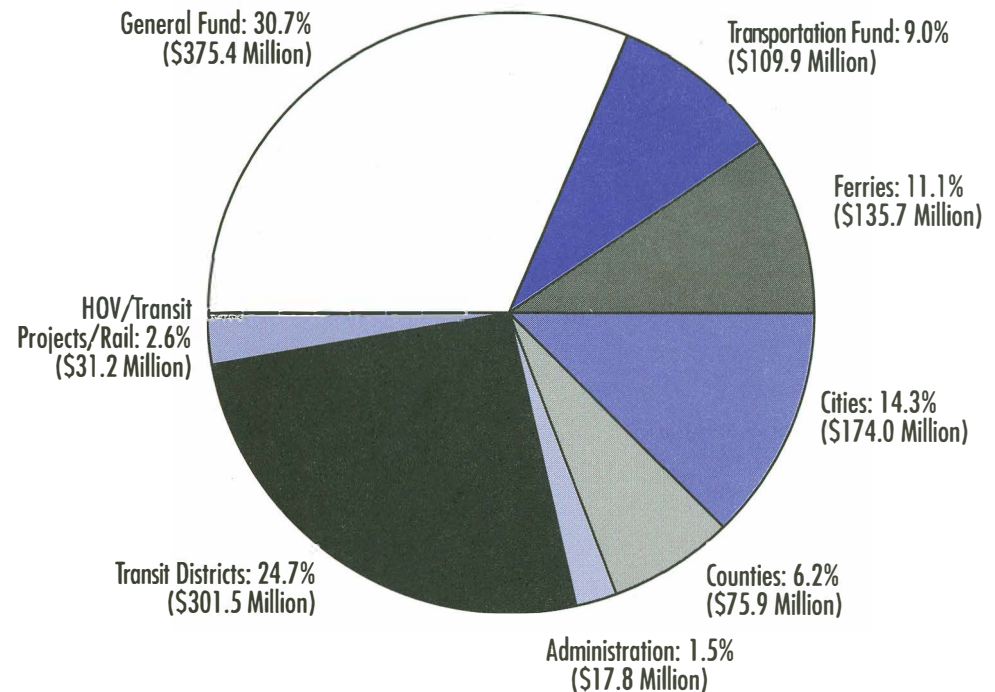
Motor Vehicle Excise Tax History (Transportation Related)

- 1971 One-tenth percent Local Option MVET for transit to replace 50 percent of the 2.0 percent State MVET. Approved by the 1969 Legislature effective July 1, 1971.
- 1978 Temporary 0.2 percent MVET surtax for Ferry System Capital Construction. Approved by the 1977 Legislature effective August 1, 1978, until August 1, 2008.
- 1987 Two-tenths percent surtax for Ferry System Capital Construction made permanent.
- 1988 Temporary 0.1 percent surtax for Ferry System operations. Approved by the 1987 Legislature effective January 1988 through December 1989.
- 1989 Temporary 0.1 percent surtax for Ferry Systems operations was extended through December 1990.
- 1990 One-tenth percent surtax for Ferry System operations made permanent. Two-tenths percent surtax for transportation purposes approved effective September 1990.

Five percent of the revenue from the base two percent MVET tax to be transferred from the General Fund to the Transportation Fund. Effective July 1, 1993.

MVET Revenue Distribution

Less than half of the proceeds from the MVET are now used to meet transportation needs. The largest portion of the MVET pie goes to the State General Fund. Other non-transportation MVET funds serve the criminal justice programs of the cities and counties.



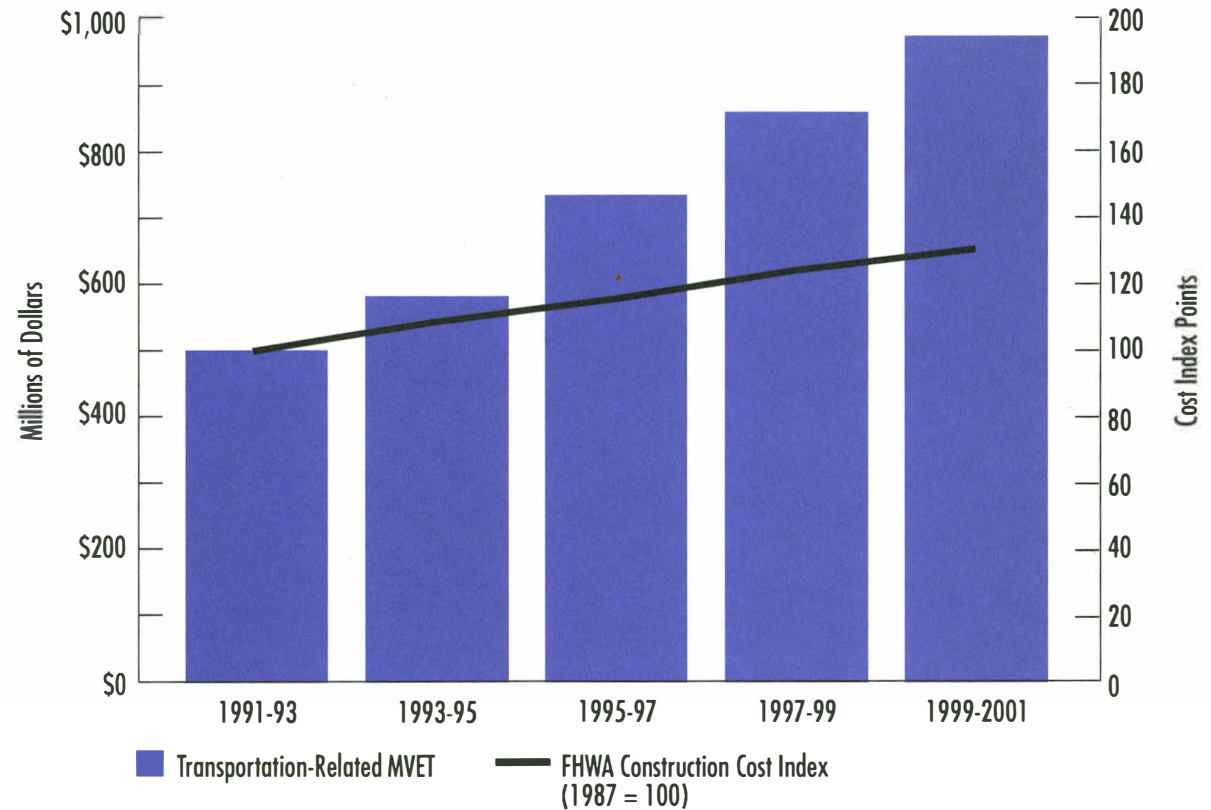
1993-95 Biennium
Total Revenue: \$1,221 Million

- 1993 Five percent General Fund transfer effective date changed from July 1, 1993 to July 1, 1995.

MVET Revenue vs. Construction Inflation

Unlike gasoline tax revenues, proceeds from the MVET are projected to keep pace with the rising cost of construction. However, this is small comfort, since a much lesser proportion of the MVET pays for transportation expenditures.

On the chart, note the leap in revenues starting with the 1995-97 biennium; this increase is dependent on the scheduled 5% transfer from the General Fund to the Transportation Fund. If the transfer is postponed again as it was in the last legislative session, MVET revenues will buy less in the succeeding biennia than they did in 1991-93.



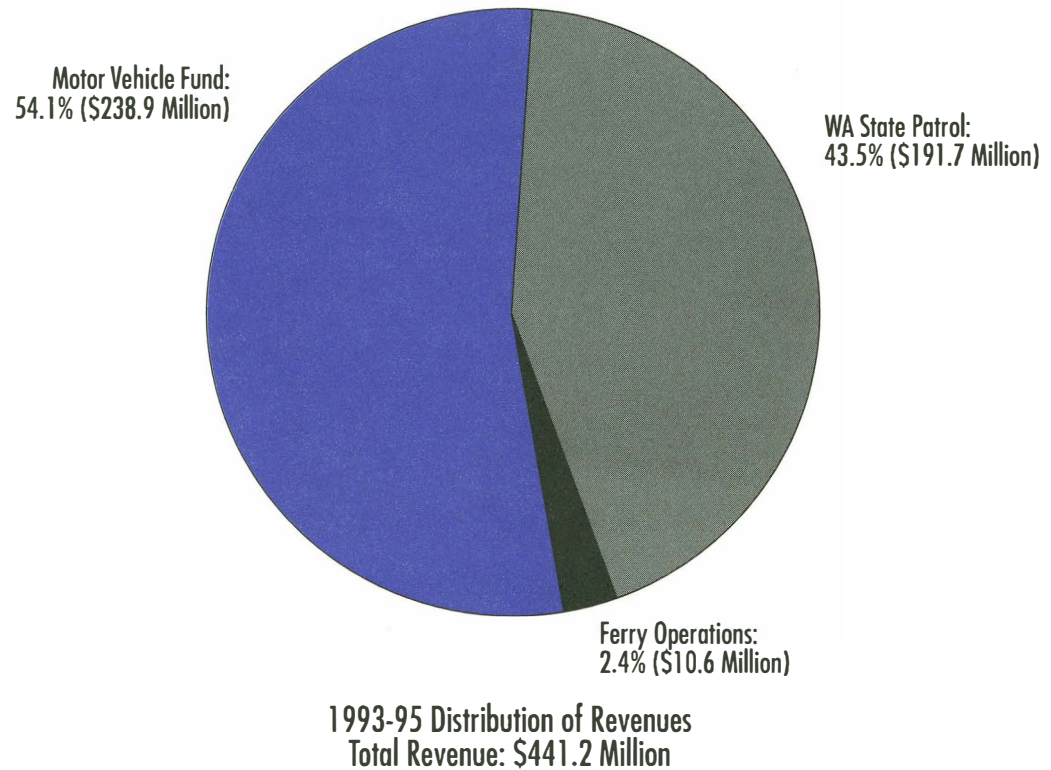
Motor Vehicle License Fee History

1919*	\$10.00 Autos \$20.00 For Hire \$25.00 Stages \$10.00 Trucks	Revenue to the Motor Vehicle Fund (MVF)	1982	\$23.00 New \$19.00 Renewal	\$15.60 to the State Patrol Highway Account. \$7.40 of new and \$3.40 of renewals is distributed 72.7 percent to MVF and 27.3 percent to the Puget Sound Ferry Operations Account.
1931	\$3.00 Motor Vehicles	Revenue to MVF			
1949	\$5.00	Revenue to MVF			
1957	\$6.50	\$3.00 to MVF and \$3.50 to the State Patrol Highway Account			
1961	\$6.90	\$3.40 to MVF and \$3.50 to the State Patrol Highway Account	1989	\$27.75 New \$23.75 Renewal	\$20.35 to the State Patrol Highway Account. \$7.40 of new and \$3.40 of renewals is distributed 72.7 percent to MVF and 27.3 percent to the Puget Sound Ferry Operations Account.
1965	\$8.00	\$3.40 to MVF and \$4.60 to the State Patrol Highway Account			
1969	\$8.00	\$2.00 to MVF and \$6.00 to the State Patrol Highway Account			
1971	\$8.00	Revenue to MVF			
1975	\$13.40 New \$9.40 Renewal	Revenue to MVF			
1981	\$13.40 New \$9.40 Renewal	\$7.40 of new and \$3.40 of renewals is distributed 72.7 percent to MVF and 27.3 percent to the Puget Sound Ferry Operations Account. \$6.00 to the State Patrol Highway Account.			

* Note: From 1915-1919, the vehicle license fee was combined with additional fees based on seating capacity and rated carrying capacity.

Distribution of Revenues from Motor Vehicle Licenses, Permits and Fees

Licenses, permits and fees are often jointly referred to as LPF. Together they are the third major source of transportation funds after motor fuel taxes and the MVET. Over half of LPF goes to the Motor Vehicle Fund.



Local Option Transportation Taxes

For City Streets and County Roads

Tax: Motor Vehicle and Special Fuel Tax
Amount: Ten percent of the State Gas Tax.
Purpose: Highway purposes as defined by the 18th Amendment including the construction, maintenance, and operation of city streets, county roads, and state highways; policing of local roads; county ferries; and related activities.
Jurisdictions: County with voter approval.
Authorization: RCW 82.80.010, *Laws of 1990*, Ch. 42, Sec. 201.

Tax: Vehicle License Fee
Amount: Not to exceed \$15 per vehicle.
Purpose: For general transportation purposes including 18th Amendment “highway purposes;” public transportation; high capacity transportation; and other transportation-related activities.
Jurisdictions: County.
Authorization: RCW 82.80.020, *Laws of 1990*, Ch. 42, Sec. 206.

Tax: Commercial Parking Tax
Amount: No rate set. Fee can be charged to commercial business owner or customer.
Purpose: For general transportation purposes including 18th Amendment “highway purposes;” public transportation; high capacity transportation; and other transportation-related activities.
Jurisdictions: County (only the unincorporated area) or city (incorporated area).
Authorization: RCW 82.80.030, *Laws of 1990*, Ch. 42, Sec. 208.

Tax: Street Utility Tax
Amount: Not to exceed \$2.00 per month per full-time equivalent employee of a business or \$2.00 per month per housing unit for residential property.
Purpose: For city street utilities including street lighting, traffic control devices, sidewalks, curbs, gutters, parking facilities, and drainage facilities.
Jurisdictions: City or town.
Authorization: RCW 82.80.050, *Laws of 1990*, Ch. 42, Sec. 210.

Tax: Motor Vehicle Fuel and Special Fuel Tax
Amount: In increments of 0.1¢ to a maximum of 1.0¢.
Purpose: Highway purposes as defined by the 18th Amendment including the construction, maintenance, and operation of city streets, county roads, and state highways; policing of local roads; county ferries; and related activities.
Jurisdictions: Cities and towns within ten miles of an international border crossing and Transportation Benefit Districts with an international border crossing within their boundary.
Authorization: RCW 82.47.020.

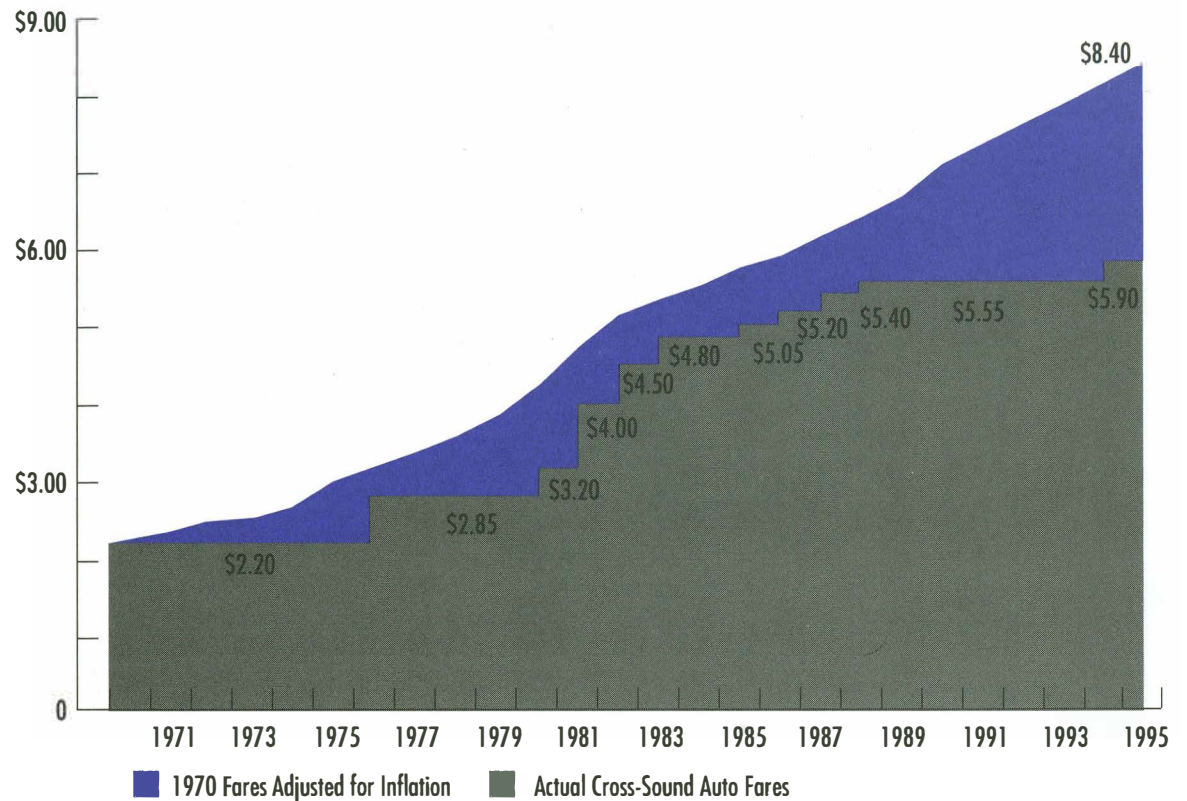
Local Option Transportation Taxes

For HOVs and High Capacity Transportation

Tax:	HOV (High Occupancy Vehicle) Employer Tax	Jurisdictions:	King, Pierce, and Snohomish Counties, with voter approval.	Purpose:	For planning, constructing, and operating high capacity transportation (HCT), commuter rail, and feeder transportation systems.
Amount:	Up to \$2.00 per employee per month measured by the number of full-time equivalent employees.	Authorization:	RCW 81.100.060, <i>Laws of 1990</i> , Ch. 43, Sec. 17.	Jurisdictions:	Authorized for the RTA and transit agencies in Thurston, Clark and Spokane Counties, with voter approval.
Purpose:	For HOV lane development, mitigation of environmental impacts of HOV development, support of employer programs to reduce single occupant commuting.	Tax:	HCT Employer Tax	Authorizations:	RCW 81.104.160, <i>Laws of 1990</i> , Ch. 43, Sec. 42.
Jurisdictions:	King, Pierce, and Snohomish Counties, with voter approval.	Amount:	Up to \$2.00 per employee per month measured by the number of full-time equivalent employees (Not allowed if HOV employer tax in effect.)	Tax:	Sales and Use Tax
Authorization:	RCW 81.100.030, <i>Laws of 1990</i> , Ch. 43, Sec. 14.	Purpose:	For planning, constructing, and operating high capacity transportation (HCT), commuter rail, and feeder transportation systems.	Amount:	Up to 1 percent of the selling price in the case of a sales tax, or value of the article used in the case of a use tax. This tax may not exceed 0.9% where the 0.1% sales and use tax for criminal justice (under RCW 82.14.340) is in effect.
Tax:	HOV Excise Tax	Jurisdictions:	Authorized for the RTA and transit agencies in Thurston, Clark and Spokane Counties, with voter approval.	Purpose:	For planning, constructing, and operating high capacity transportation (HCT), commuter rail, and feeder transportation systems.
Amount:	Up to 15 percent of the State Motor Vehicle Excise Tax (MVET) base rate (2.0 percent). In combination, revenues from the MVET and employer tax cannot exceed a level that would be generated by a 15% local MVET.	Authorization:	RCW 81.104.150, <i>Laws of 1990</i> , Ch. 43, Sec. 41.	Jurisdictions:	Authorized for the RTA and transit agencies in Thurston, Clark and Spokane Counties, with voter approval.
Purpose:	For HOV lane development, mitigation of environmental impacts of HOV development, support of employer programs to reduce single occupant commuting.	Tax:	Motor Vehicle Excise Tax	Authorizations:	RCW 81.104.160, <i>Laws of 1990</i> , Ch. 43, Sec. 42.
		Amount:	Up to .8 percent of the vehicle value (MVET revenue for HOV and HCT cannot exceed amount generated by .8 percent MVET.)		

Ferry Auto Fares vs. Inflation

Ferry fares vary significantly for different routes and seasons. The charges shown are those for cross-sound routes frequently used by commuters. In May 1994, fares on these routes were raised to \$5.90 per vehicle. Had the fares been raised consistently to meet inflation since 1970, the charges would be much higher.



Federal Highway-Users Fees

Motor Fuels

	Distribution of Tax					
Fuel Type	Highway Trust Fund			Leaking Underground Storage Tank Trust Fund	General Fund For:	
	Tax Rate (Per Gallon)	Highway Account	Mass Transit Account		Deficit Reduction	Not Specified
Gasoline*	18.4¢	10.0¢	1.5¢	0.1¢	6.8¢	0.0¢
Diesel Fuel*	24.4¢	16.0¢	1.5¢	0.1¢	6.8¢	0.0¢
Liquefied Petroleum Gas*	18.3¢	10.0¢	1.5¢	0.0¢	6.8¢	0.0¢
Compressed Natural Gas	4.3¢	0.0¢	0.0¢	0.0¢	4.3¢	0.0¢
Ten percent Gasohol made with:						
Ethanol*	13.0¢	4.0¢	1.5¢	0.1¢	6.8¢	0.0¢
Methanol*	12.4¢	4.0¢	1.5¢	0.1¢	6.8¢	0.0¢

* Under existing federal law, 2.5¢ of the 6.8¢ General Fund Deficit Reduction tax reverts to the Highway Trust Fund on October 1, 1995. Of the 2.5¢, 2.0¢ will be deposited in the Highway Account and 0.5¢ in the Mass Transit Account.

Tires

Weight	Tax Rate
0-40 lbs	\$0.00
41-70 lbs	\$0.15 per lb over 40 lbs
71-90 lbs	\$4.50 + \$0.30 per lb over 70 lbs
Over 90 lbs	\$10.50 + \$0.50 per lb over 90 lbs

Truck and Trailer Sales

Twelve percent of retailer’s sales price for all tractors and trucks over 33,000 lbs gvw (gross vehicle weight) and trailers over 26,000 lbs gvw.

Heavy Vehicle Use (annual tax)

Trucks 55,000-75,000 lbs gvw: \$100 plus \$22 for each 1,000 lbs (or fraction thereof) over 55,000 lbs.
 Trucks over 75,000 lbs gvw: \$550

Intermodal Surface Transportation Efficiency Act of 1991

Title 1 - Highway Programs

The federal Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) provides authorizations for federal aid to highway and transit programs for the six-year period from October 1, 1991 through September 30, 1997 (federal fiscal years 1992 through 1997). While ISTEA consists of eight separate titles, the provisions governing federal assistance for highways and transit are covered in Title I and Title III, respectively. The dollar amounts referenced below in the tables pertaining to ISTEA funding cover total federal authorizations for the six-year period covered by the Act.

National Highway System (NHS)

A system of 155,000 (plus or minus 15%) miles of major roads in the United States including the Interstate System, the defense strategic highway network and strategic highway connectors, and some urban and rural principal arterials.

Proposals to extend the NHS to a National Transportation System (NTS) are under consideration by FHWA and Congressional committees.

Interstate

Although the Interstate System is a part of the NHS, certain activities related to the system will retain separate funding. These are: Interstate Completion—a total of \$7.2 billion will be apportioned to complete the Interstate System over the first four years of the Act; Interstate Substitute Highway Projects—\$960 million over the first four years; and Interstate Maintenance—\$17 billion over the full six-year period.

Surface Transportation Program (STP)

A block grant type program that may be used for a wide variety of transportation projects, both highway and transit, on any roads that are not classified as local or rural minor collectors.

Surface Transportation Program - Apportionment Adjustment Programs

These are programs approved as a part of ISTEA that were enacted to achieve equity among states in highway federal-aid levels.

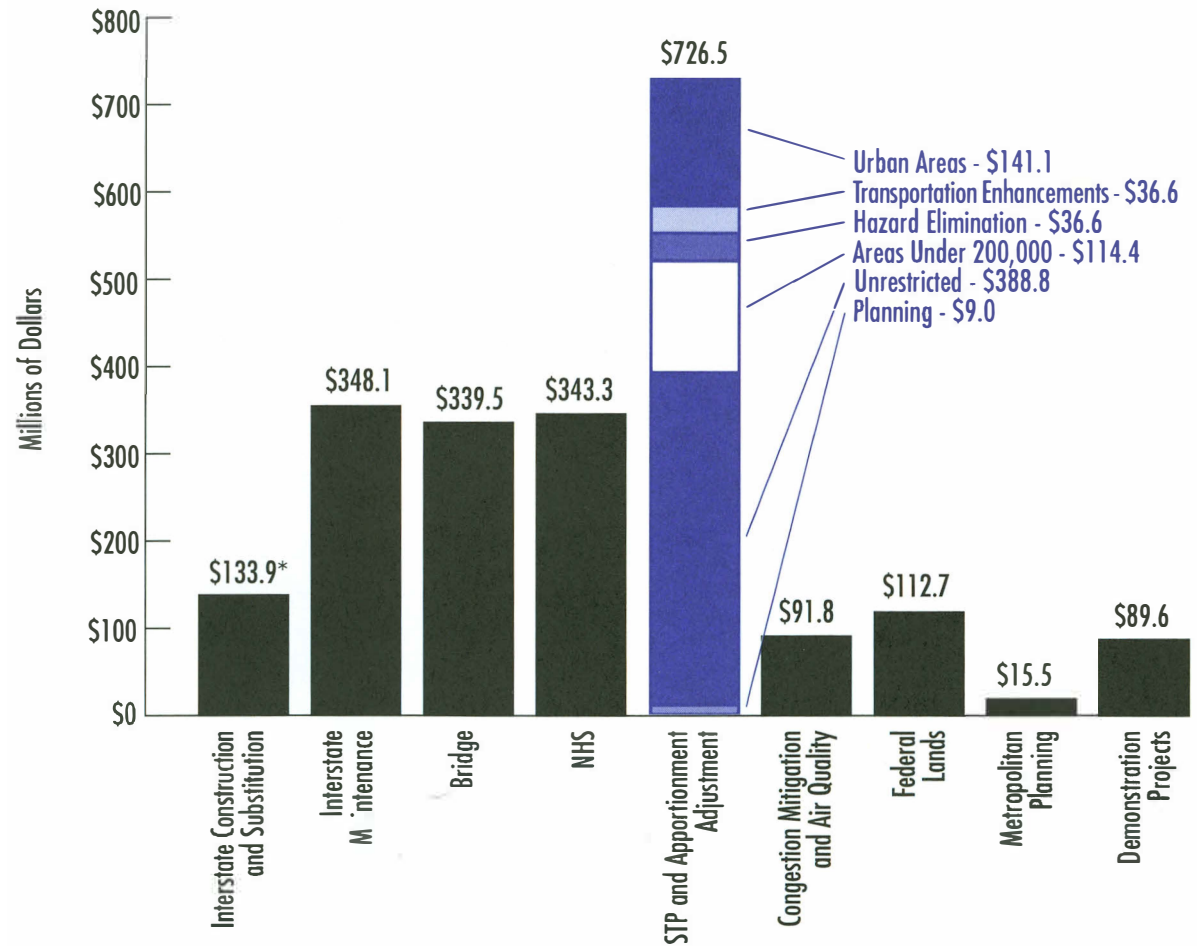
Congestion Mitigation and Air Quality Improvement Program

A program established to provide funds to ozone and carbon monoxide non-attainment areas as designated under the Clean Air Act. Funds may be used for a variety of programs which will improve air quality.

Bridge Replacement and Rehabilitation

This program provides funds to states for the replacement or rehabilitation of deficient bridges (bridges which are unsafe because of structural deficiencies, physical deterioration, or functional obsolescence).

Title I: FFYs 1992-1997 Apportionments to Washington State



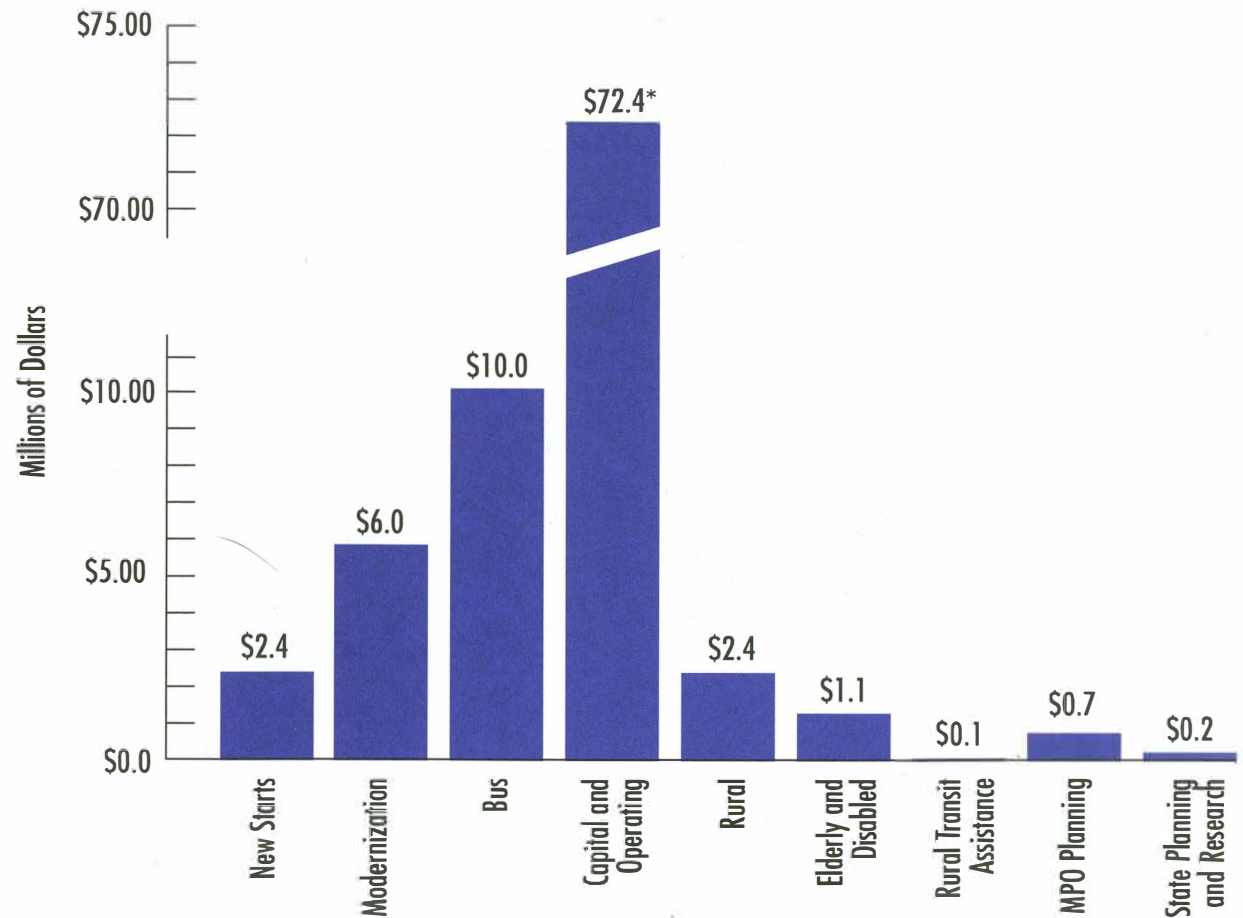
* Does not include \$259.6 million of completion discretionary funds received in FFY 1994.

Federal Transit Programs

Title III - Transit

The transit formulas and discretionary programs have not been significantly changed by the ISTEA.

Title III: Transit Program Allocations for Washington State - FFY 1995



Includes all Portland, OR/Vancouver, WA Allocations.

Transportation Commission-New Revenue Scenario

Index Motor Fuel Tax (Gas Tax)

Currently, the value of the gas tax erodes due to inflation and increasing vehicle fuel efficiency.

- Who is Taxed: Motor fuel consumers. Tax is collected from the motor fuel distributor.
- Proposed Tax Rate: The motor fuel tax would increase annually based on the fiscal growth factor approved by the voters in Initiative 601.
- Last Tax Increase: N/A
- Value of Tax Increase: For FY 96, amounts to approximately a 1.4 cents per gallon tax increase.
- Tax per Vehicle: An increase of 1.4 cents per gallon in the motor vehicle fuel tax would add \$0.70 per month to the fuel tax on the average motor vehicle.

Motor Fuel Tax (Gas Tax)

The cents per gallon tax is not sensitive to inflation or growth.

- Who is Taxed: Motor fuel consumers. Tax is collected from the motor fuel distributor.
- Present Tax Rate: 23 cents per gallon
- Last Tax Increase: 4 cents in April 1990 and 1 cent in April 1991.
- Value of Tax Increase: A 5 cent increase for the state would generate \$150 million per year. A 4 cent increase for local government would generate \$120 million per year.
- Tax per Vehicle: Average annual motor vehicle fuel tax per vehicle is \$140 (a little more than \$10 per month).
An increase of 9 cents per gallon in the motor vehicle fuel tax would add \$4.50 per month to the fuel tax on the average motor vehicle.

Transportation Commission-New Revenue Scenario, Cont. . .

Gross Weight Fee

Who is Taxed: Owners of trucks, buses, and commercial trailers

Present Tax Rate: The annual tax rate varies with the motor vehicle's licensed gross weight (from 4,000 to 105,500 lbs.) and whether or not the vehicle is licensed to tow trailers.

Last Tax Increase: In 1990 the gross weight portion of the combined fee was increased by 40 percent, the first increase in this tax since 1969.

Value of Tax Increase: A 20 percent increase in the gross weight fee would generate \$17 million per year

Tax per Vehicle: The average annual fee per vehicle is approximately \$60. A 20 percent increase would add \$1 per month to the average vehicle fee.

Extra revenue generated by a fee increase would vary with the weight of the vehicle. Below are examples of four weight classes.

Gross Weight	20 Percent Increase
4,000	\$8
40,000	\$88
80,000	\$322
105,500	\$594

Refinery Tax

Who is Taxed: The firm with the first possession of the refined petroleum product in Washington. In most cases it would be the refinery.

Present Tax Rate: 0.51 percent on the wholesale value of petroleum products.

Last Tax Increase: Established in 1989 to fund the Underground Storage Tank program.

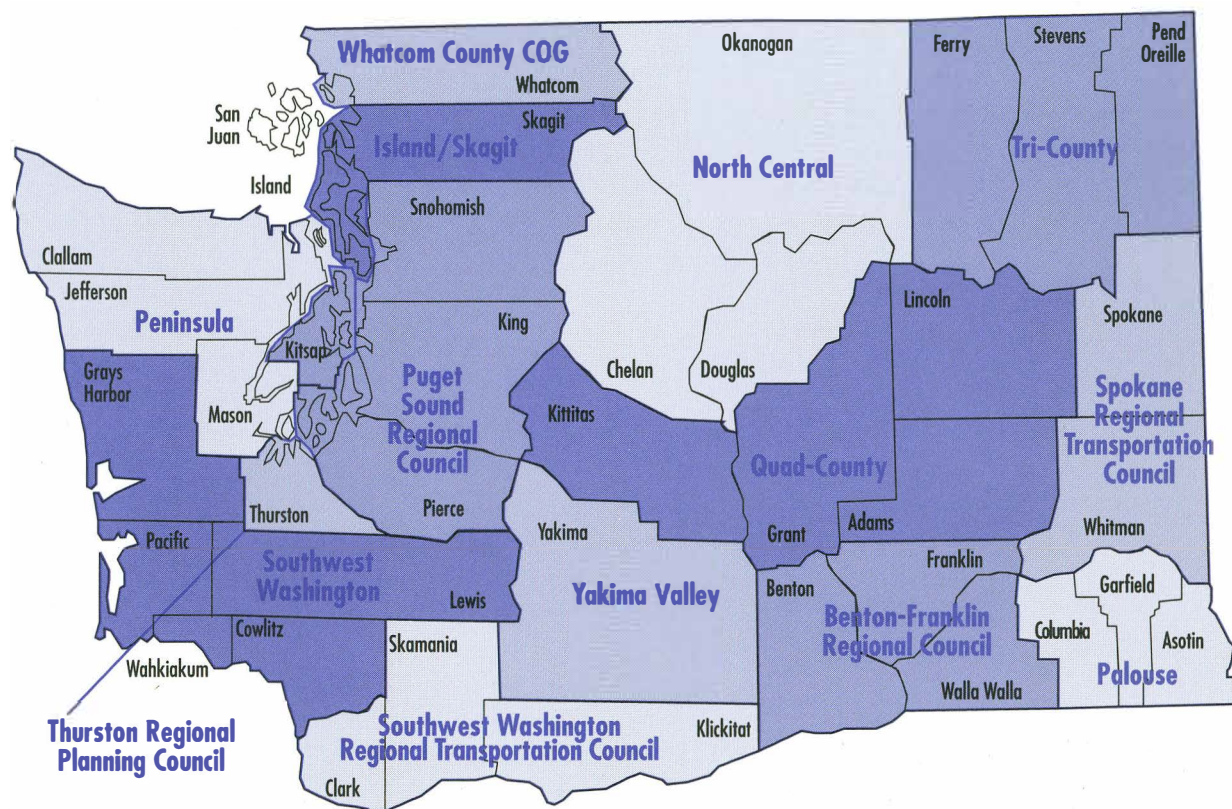
Value of Tax Increase: Over a six year period, a 5 percent tax would generate approximately \$131 million per year.

Tax per Vehicle: Because of fluctuations in fuel prices, it is difficult to determine the impact of this tax on fuel prices at the pump.

Regional Transportation Planning Organizations (RTPOs)

The RTPOs are agencies responsible for transportation planning and growth management compliance within their jurisdictions, which range in size from one to five counties. RTPOs are required to develop and adopt regional transportation plans. They also must certify that the transportation elements of local comprehensive plans within their jurisdictions are in compliance with the Growth Management Act and in conformance to statewide transportation plans. State Law* requires that RTPOs prepare transportation strategies and develop six-year regional transportation programs in cooperation with WSDOT, local governments and public transportation service providers. Most RTPOs receive no funds directly from the federal government, as do the Metropolitan Planning Organizations (MPOs), which are also distinguished from RTPOs by their confinement to urban areas.

* Laws of 1994, Ch.8, Sec. 2.



Kitsap County is in both Peninsula and Puget Sound Regional Council

Use of Modes

(Calendar Years 1992-93)	CY 1993	CY 1992	Percent Change
Public Transit (Millions of Passenger Trips)			
Metro Transit	81.6	81.9	-0.5
Twenty-Three Other Authorities	49.4	46.6	6.1
Ferries (Millions)			
Passengers (Excluding Drivers)	13.1	13.2	-0.1
Vehicles (Including Drivers)	10.2	10.2	0.0
Highway Miles Traveled (Billions)	50.5	47.8	5.6
Major Airports (Millions of Passengers)			
Seattle-Tacoma	18.4	18.0	2.2
Spokane	2.3	1.9	21.1
Amtrak Passenger Rail (Thousands)			
Washington State—On and Off	569.5	621.6	-8.4
Freight Rail			
Private Carriers	1	1	na
Common Carriers	12	12	na
Rail Miles in Operation	3,057	3,189	4.0

Total Centerline Miles Streets, Roads, and Highways

Approximate 1993 mileage in Washington	Paved	Unpaved	Total
State Highways			
Interstate	764		764
Rural	5,947	8	5,955
Urban	301		301
State Total	7,012	8	7,020
County Roads			
Rural			35,270
Urban			2,022
Urban Local Streets			4,153
County Total	25,857	15,588	41,445
City Streets			
Rural			2,167
Urban			2,705
Urban Local Streets			7,195
City Total	11,214	853	12,067
Other State Roads	Unknown	Unknown	11,831
Other Federal Roads	Unknown	Unknown	7,069
Total Statewide Miles			79,432

Vehicle/Driver Statistics FY 94

Registered Vehicles

	1994
Autos	3,115,162
Motor Homes	65,980
Motorcycles	96,536
Mopeds	10,993
For Hire, Bus, Stage	575
Truck/Tractor Truck	1,221,934
Other	8,484

Total Motorized

4,519,664

Trailer/Semitrailer	554,990
Campers	46,769
Total Registered Highway Vehicles	5,131,423

Vehicle Operations (Average Annual, All Types)

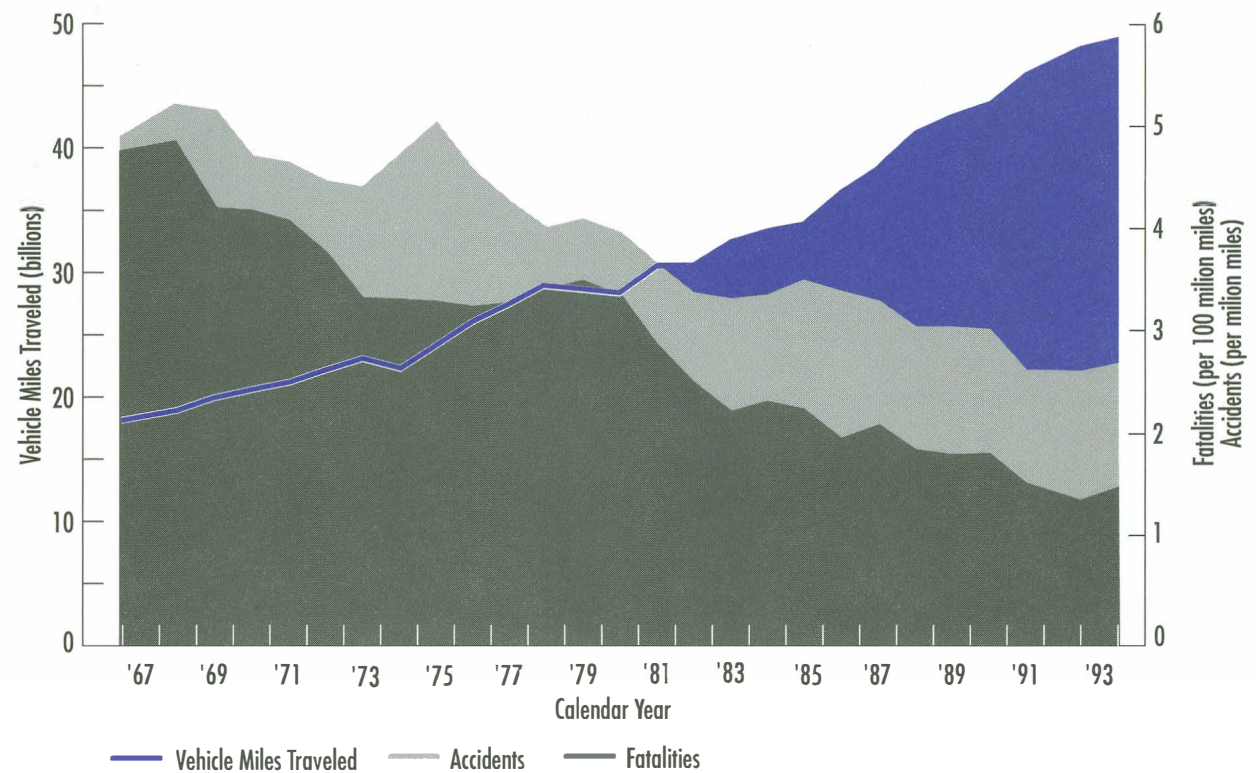
	1994
Person Per Motorized Vehicle	1.211
Gallons Consumed Per Vehicle	624
Miles Per Gallon	18.44
Miles Traveled (Billions)	50.659
Miles Per Vehicle	11,504

1994 Population/Drivers

State Population	5,334,400
Driver Age Population (16 Years and Over)	4,050,209
Drivers Licenses in Force (CY'93)	3,698,926

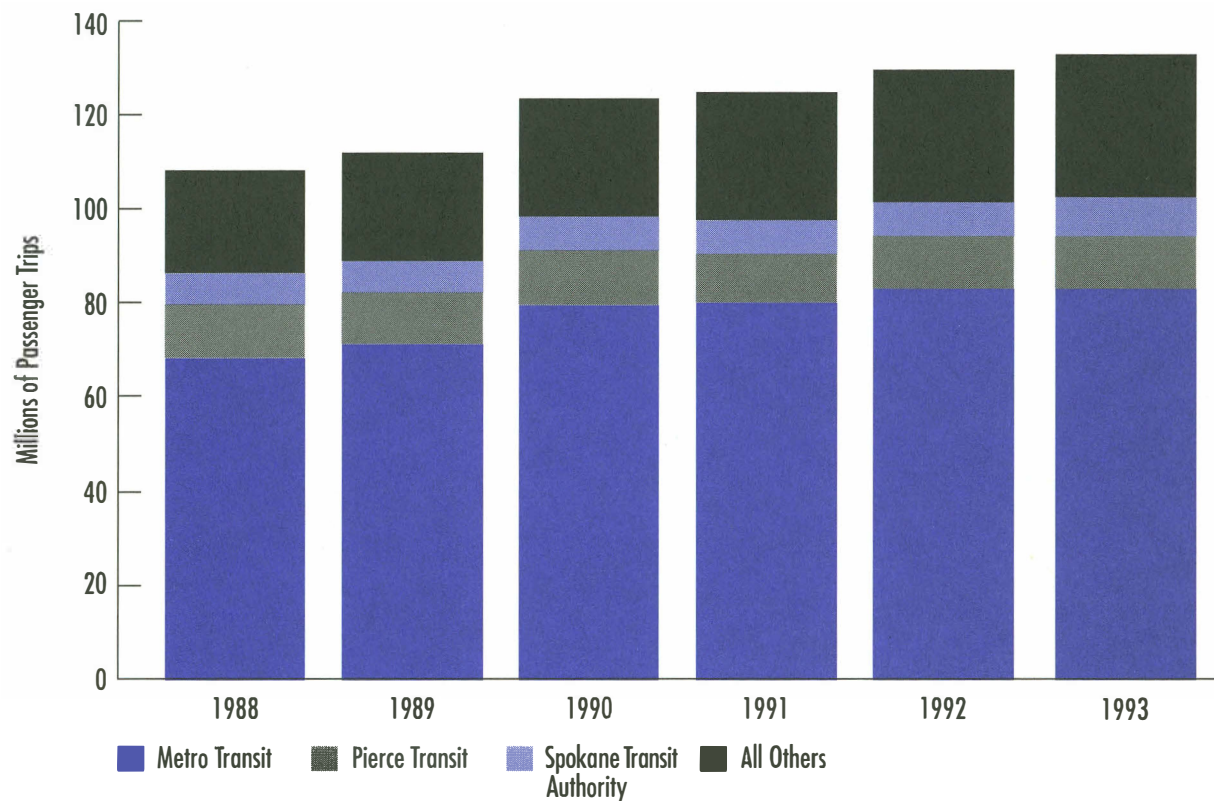
Roadway Safety

Thanks to improvements in roadway design and construction, lower speed limits in urban areas, improved automobile safety features, and vigorous enforcement of drunk driving laws, roads across the state are safer than ever before. Over the last quarter-century, accidents have decreased by 46% and fatalities have dropped by nearly 71%.



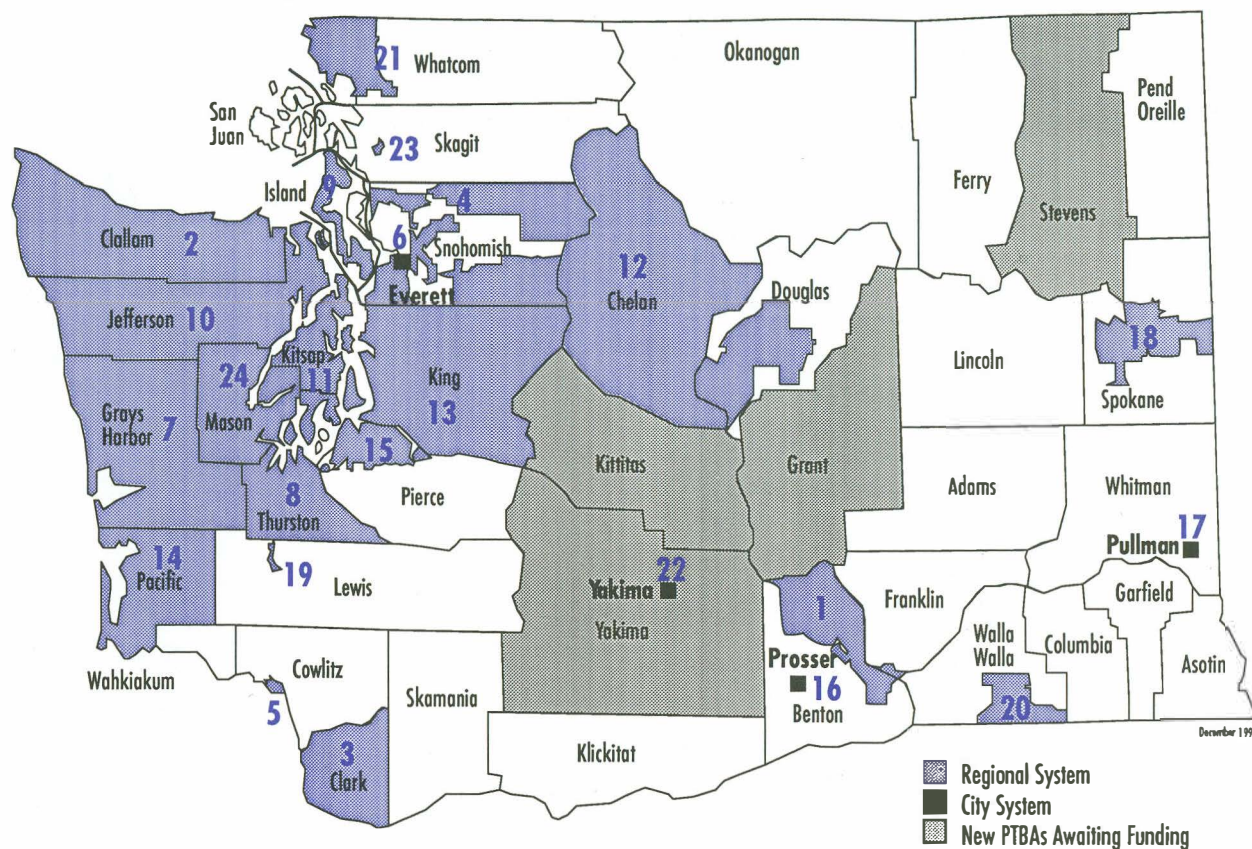
Twenty-four public transit agencies in Washington provide fixed-route and demand-response service; the chart indicates the combined passenger-trips for both types of service. Over 62% of the 131 million passenger-trips in 1993 were provided by Metro Transit in King County. Metro's ridership increased by an average of 2.5% per year from 1989 through 1993. On the Spokane Transit Authority's system, the third busiest in the state, ridership grew by an annual average of 4.0% over the same five-year period. In all but the three largest agencies, increases in transit ridership have averaged 8.3% per year.

Public Transit Ridership



Transit System Taxes

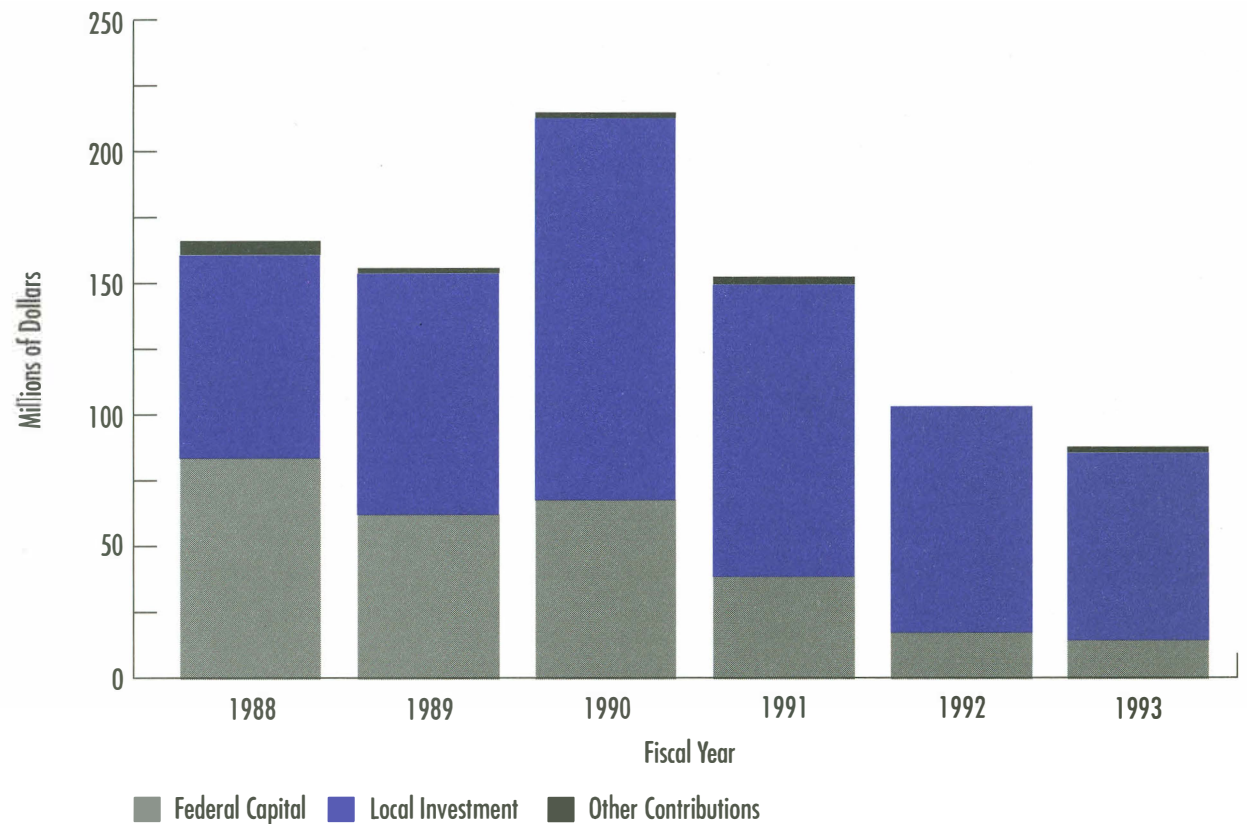
System	Authority	Sales Tax Rate
1 Ben Franklin	PTBA	0.3
2 Clallam	PTBA	0.3
3 C-TRAN	PTBA	0.3
4 Community	PTBA	0.6
5 CUBS	PTBA	0.1
6 Everett	City	0.3
7 Grays Harbor	CTA	0.3
8 Intercity	PTBA	0.3
9 Island	PTBA	0.3
10 Jefferson	PTBA	0.3
11 Kitsap	PTBA	0.5
12 Link	PTBA	0.4
13 Metro	MMC	0.6
14 Pacific	PTBA	0.3
15 Pierce	PTBA	0.3
16 Prosser	City	*
17 Pullman	City	*
18 Spokane	PTBA	0.3
19 Twin	PTBA	0.1
20 Valley	PTBA	0.3
21 Whatcom	PTBA	0.3
22 Yakima	City	0.3
23 Skagit	PTBA	0.2
24 Mason	PTBA	0.2



* Pullman Transit and Prosser Rural Transit are financed by utility taxes rather than sales tax.

Public Transit Capital Investment

Capital investments rely on a mix federal, state, and local funds. The level of activity from year to year is very project sensitive. The mix of funding depends on the types of projects proposed and the success of local systems in competing for funds.



Ferry Fleet



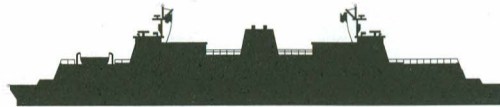
Jumbo Class — 2 vessels
Spokane and Walla Walla
206 autos / 2,000 passengers



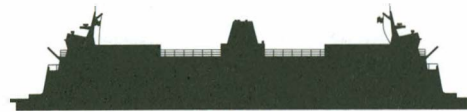
Super Class — 4 vessels
Hyak, Kaleetan, Yakima, Elwha
160 autos / 2,500 passengers



Issaquah Class — 6 vessels
Issaquah, Kittitas, Kitsap, Cathlamet, Chelan, Sealth
100 - 130 autos / 1,200 passengers



Evergreen Class — 3 vessels
Evergreen State, Klahowya, Tillikum
100 autos / 1,000 - 1,140 passengers



Steel Electric Class — 4 vessels
Quinalt, Illahee, Nisqually, Klickitat
75 autos / 665 - 800 passengers / refurbished



Passenger-Only — 3 vessels
Tyee (Acquired 9/86)
329 passengers
Kalama and Skagit (Acquired 9/89)
250 passengers



Others — 2 vessels
Rhododendron
65 autos / 546 passengers

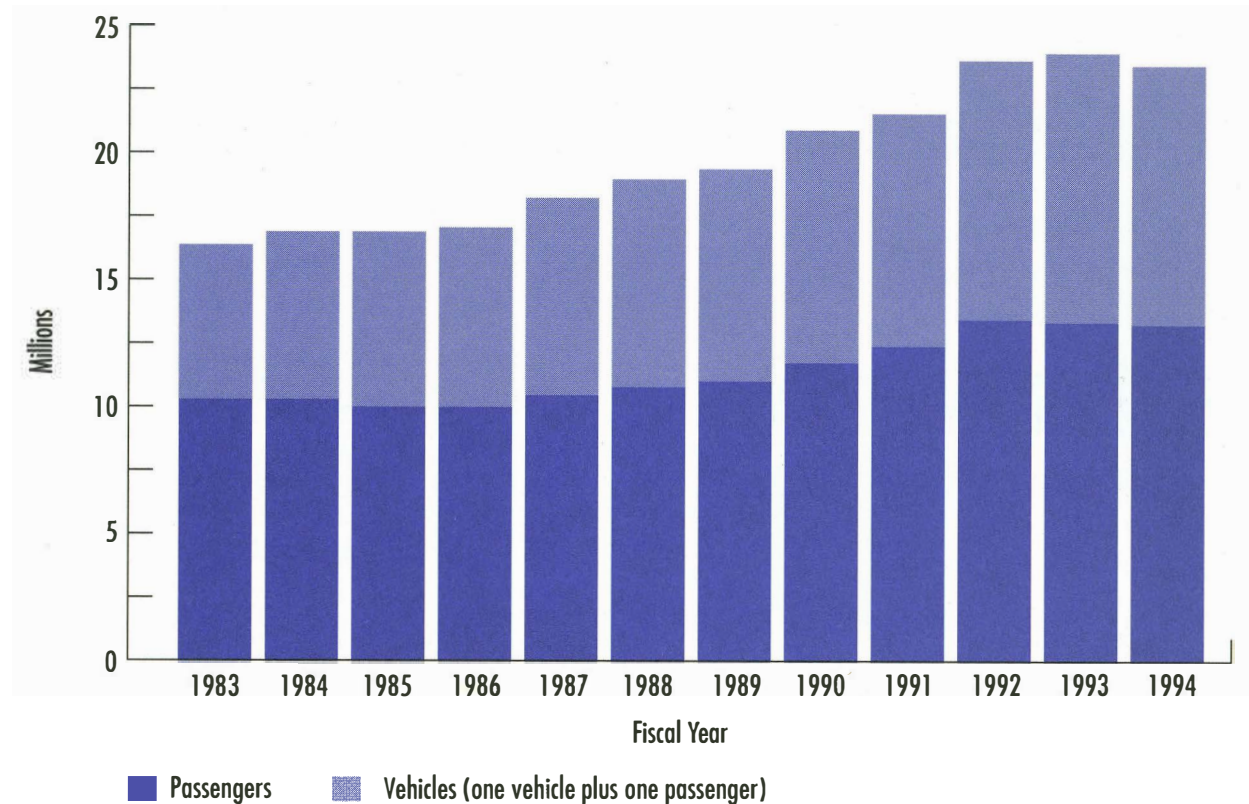


Hiyu
40 autos / 200 passengers

Ferry Traffic

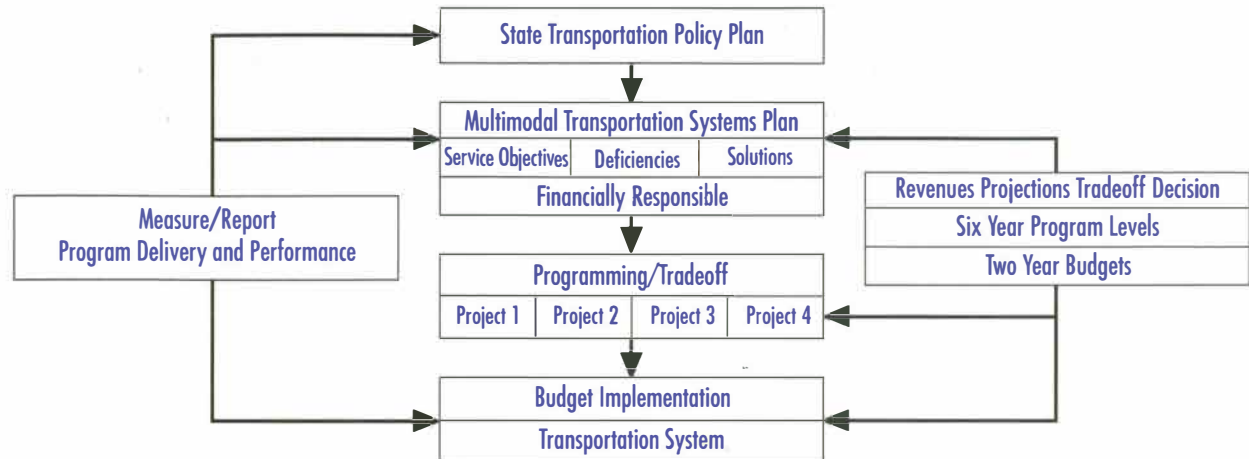
Washington State Ferries, a modal division of WSDOT, operates the largest ferry fleet in the United States. Twenty-four ferries cross Puget Sound and its inland waterways, carrying over 23 million passengers to 20 different ports-of-call. From Tacoma to Sidney, B.C., the system serves as a marine highway for commercial users, tourists and daily commuters alike.

Between 1983 and 1992, the number of vehicles embarking the ferry system has increased at an annual average of 5%. As the system nears capacity on some routes, the potential for this type of continued growth is limited. In 1993, ridership leveled off for the first time in a decade due to a combination of capacity restraints and a slowing of the regional economy. Statistics gathered for 1994 indicate that the growth trend is resuming, although at a slower rate than before.



Implementing Transportation Policy

There is a continuous process required by both state and federal law to decide which transportation programs and projects should be proposed as part of the state's 20 year plan and two year budget. This process begins with the development of goals and policies through the State Transportation Policy Plan. These goals and policies and adopted legislative direction form the basis for the Statewide Multimodal Transportation Plan. The multimodal plan defines needs on state-owned facilities (highways, ferries, and state-owned airports) and state-interest facilities (public transportation, aviation, freight rail, intercity passenger rail, marine ports and navigation, and non-motorized transportation). Finally, specific projects within the plan are chosen to advance within a two-year program and budget. For state programs, these are included in the Department of Transportation budget. Other improvements, especially in local transit, city and county roadways, and port-related improvements, are outside of state programs, and are advanced in local transportation programs and budgets.



Defining Transportation Needs

Through the state transportation planning process the term "service objective" has been developed to define transportation needs. While total needs reflect what anyone could ever want, service objectives represent cost-effective desirable outcomes that we can collectively agree are necessary over twenty years to protect the state's interest in the transportation system. Therefore, service objective needs are targeted at addressing our most pressing transportation problems, and are less than total transportation needs. Some examples of service objectives include (a listing and further explanation of all service objectives are contained in the Statewide Multimodal Transportation Plan):

State Highways:

- Maintain state highways on a daily basis to ensure safe, reliable, and pleasant movement of people and goods.
- Preserve the highway infrastructure cost effectively to protect the public investment

State Ferries:

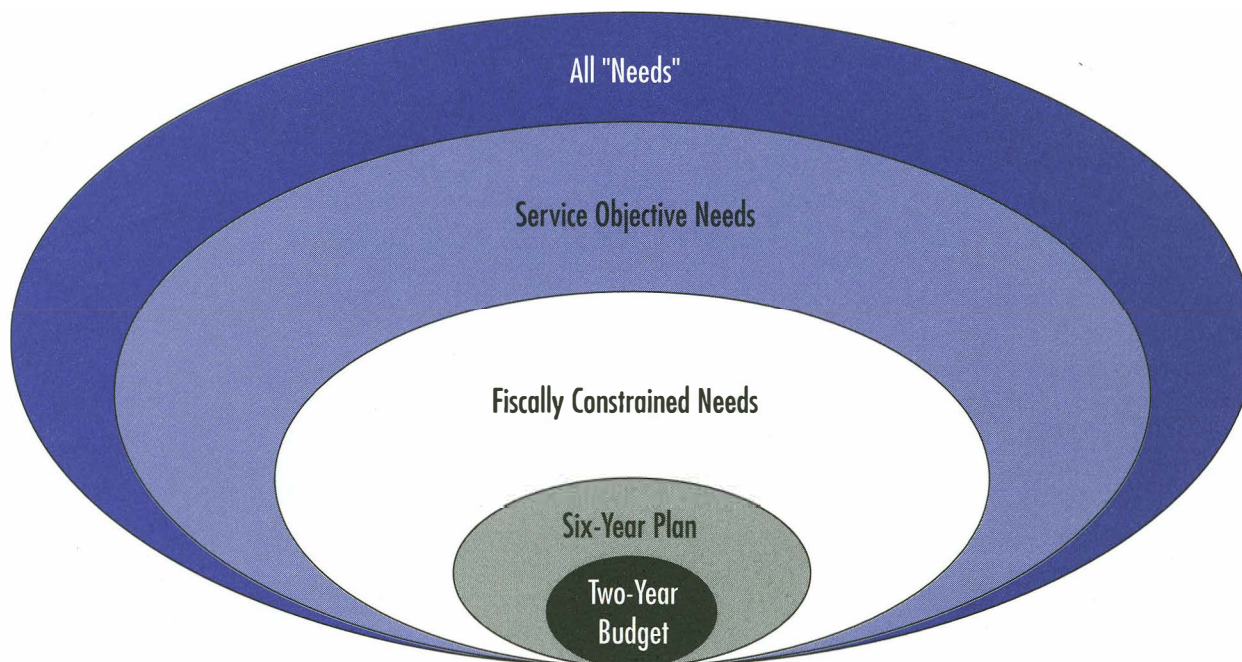
- Provide the traveler with clean, reliable, and pleasant facilities and terminals and onboard vessels
- Keep ferries running on schedule
- Improve passenger ferry service to reduce single occupancy vehicle travel to urban centers.

Freight Rail:

- Enhance access to and capacity of intermodal terminals
- Identify and preserve essential rail corridors for future rail service.

Intercity Passenger Rail:

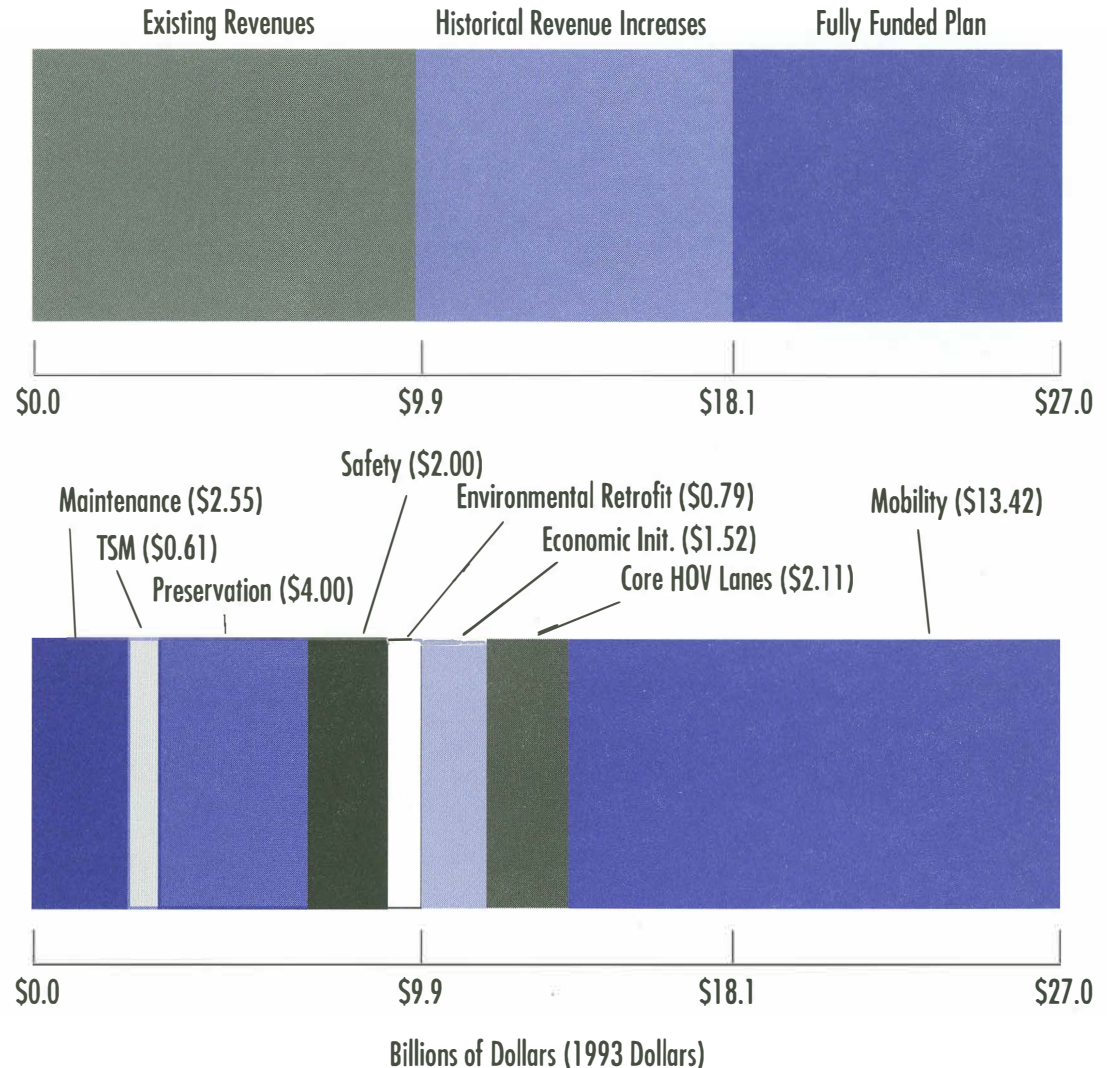
- Restore regularly scheduled service between Seattle and Vancouver, B.C.
- Improve the speed, frequency, and reliability of service between Seattle and Portland.



Potential revenues over twenty years may not be enough to fund even the reduced level of service objective needs. Therefore, priorities are established to further limit service objective needs to a financially realistic level. The Statewide Multimodal Transportation Plan proposes strategies and actions over twenty years within this financially realistic level. Finally, a two year budget and six year program are proposed to advance the most important projects contained in the twenty year plan. These projects are chosen through the priority programming process.

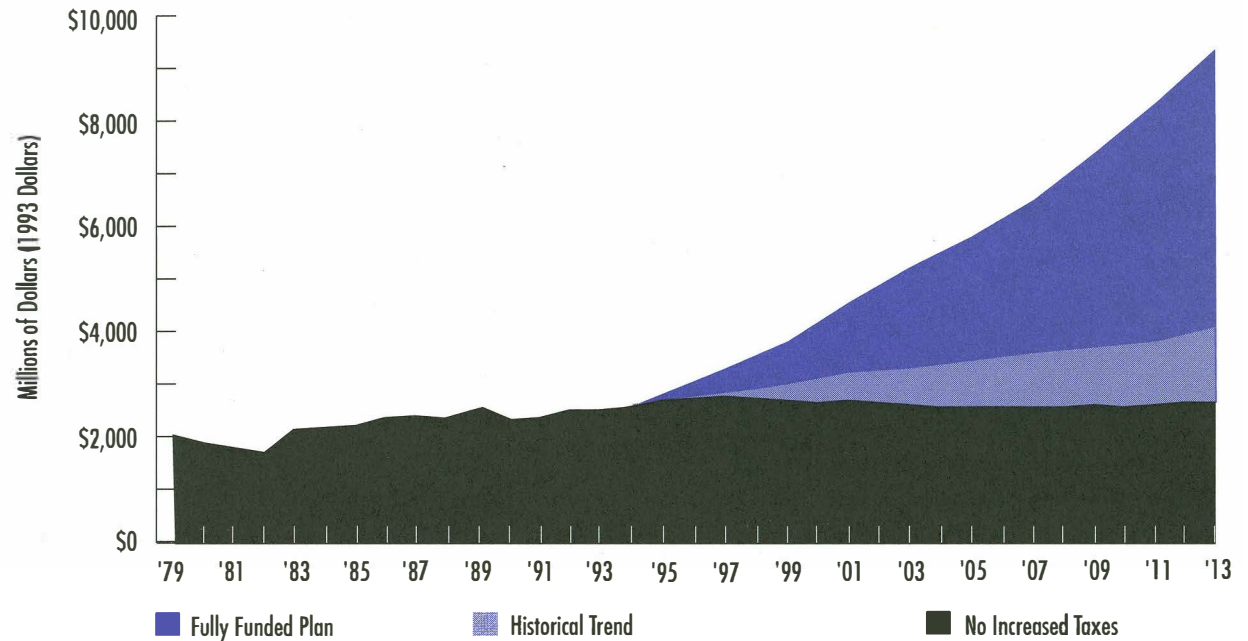
Making Trade-Offs

How are priorities set in the twenty year plan? Since potential transportation revenue over twenty years falls short of meeting all needs, trade-offs within and between programs are necessary. While trade-offs on the full Statewide Multimodal Transportation Plan are not scheduled to take place until mid-1995, the chart illustrates the results of trade-offs that have been made on the State Highway element. The top bar represents potential revenue, with (from left to right) the first part being existing revenue levels, the middle part representing what would be needed to achieve historical funding levels for the state highway program, and the last part representing the additional amount needed to fund all service objectives. The bottom bar represents program needs based on adopted service objectives, placed in order of priority as established by the Transportation Commission. With existing revenue sources, we could only accomplish maintenance, preservation, and some part of our safety service objective needs. If revenues follow the historical trend, we can fund most of our needs over twenty years, but only 40% of our congestion-related needs.



Setting a Realistic Funding Target for 20 Years

For a plan to be useful, it must reflect realistic funding limitations and support a financially realistic program level. So, what level is financially realistic? In looking at past funding patterns for transportation, there is a fairly constant relationship between state personal income and transportation funding. This means that as state personal income has grown, the Legislature has been willing — and citizens have expressed a willingness — to increase transportation funding at a constant rate. If we assume that this trend will continue, we could expect about \$18 billion for state highway programs, and \$66 billion for all transportation programs over the next twenty years. This historical trend has been adopted as the funding target for the twenty year plan. It is important to note that this funding level is much higher than existing revenue sources and assumes revenue increases that match past trends.



WSDOT Budget

Program/Division (Dollars in Millions)	1993-95* Authorized Budget	1995-97 CLB
State-Owned Facilities Capital Programs		
Highways		
Preservation	\$471.7	\$404.2
Improvement	\$1,104.9	\$780.5
Construction & Management Program Support	\$25.3	\$26.0
Ferries	\$229.1	\$272.0
State-Owned Airports	\$0.8	\$0.4
Total State-Owned Facilities Capital Programs	\$1,831.8	\$1,483.1
State-Owned Facilities Operating Programs		
State Highway Maintenance	\$233.4	\$246.5
State Ferry Systems Operations & Maintenance	\$236.9	\$247.0
State Aviation Programs	\$1.9	\$2.3
Transportation Systems Management	\$25.1	\$26.1
Total State-Owned Facilities Operating Programs	\$497.3	\$521.9
State Interest Programs		
Public Trans., High Capacity Trans. & Rail Prog.	\$109.7	\$104.7
TransAid Programs – Operating	\$10.2	\$8.7
TransAid Programs – Capital	\$185.7	\$195.6
Aviation	\$3.3	\$2.4
Total State Interest Programs	\$308.9	\$311.4

Program/Division (Dollars in Millions)	1993-95* Authorized Budget	1995-97 CLB
Departmental Operations		
Capital Facilities Total	\$44.5	\$41.3
Transportation Planning & Research	\$31.1	\$29.3
Support Services	\$45.9	\$48.3
Executive Management & Support	\$8.7	\$9.5
Charges from Other Agencies	\$32.1	\$27.1
Public/Private Initiatives	\$1.3	\$23.2
Reimbursable Charges	\$11.0	\$11.2
Transportation Equipment Fund Programs	\$134.2	\$128.2
Total Departmental Operations	\$308.8	\$318.1
Agency Total	\$2,946.8	\$2,634.5

* The 1993-95 Appropriations are shown here under the new program structure for comparison purposes.

WSDOT Budget

Proposed Program Additions
(Dollars in Millions)

1995-97*
Proposed Additions

State-Owned Facilities Capital Programs

Highways	
Preservation	\$66.4
Improvement	\$162.6
Highways Construction & Management Program Support	\$1.0
Ferries	\$23.2
State-Owned Airports	\$0.0

Total State-Owned Facilities Capital Programs **\$253.2**

State-Owned Facilities Operating Programs

State Highway Maintenance	\$14.3
State Ferry Systems Operations & Maintenance	\$3.8
State Aviation Programs	\$0.1
Transportation Systems Management	\$3.4

Total State-Owned Facilities Operating Programs **\$21.6**

State Interest Programs

Public Trans., High Capacity Trans. & Rail Prog.	\$169.9
TransAid Programs – Capital	\$0.5
Aviation	\$0.1

Total State Interest Programs **\$170.5**

Proposed Program Additions
(Dollars in Millions)

1995-97*
Proposed Additions

Departmental Operations

Capital Facilities Total	\$4.4
Transportation Planning & Research	\$3.2
Support Services	\$1.9
Executive Management & Support	\$0.3
Charges from Other Agencies	\$0.4
Public/Private Initiatives	\$4.8
Reimbursable Charges	\$0.0
Transportation Equipment Fund Programs	\$0.0

Total Departmental Operations **\$15.0**

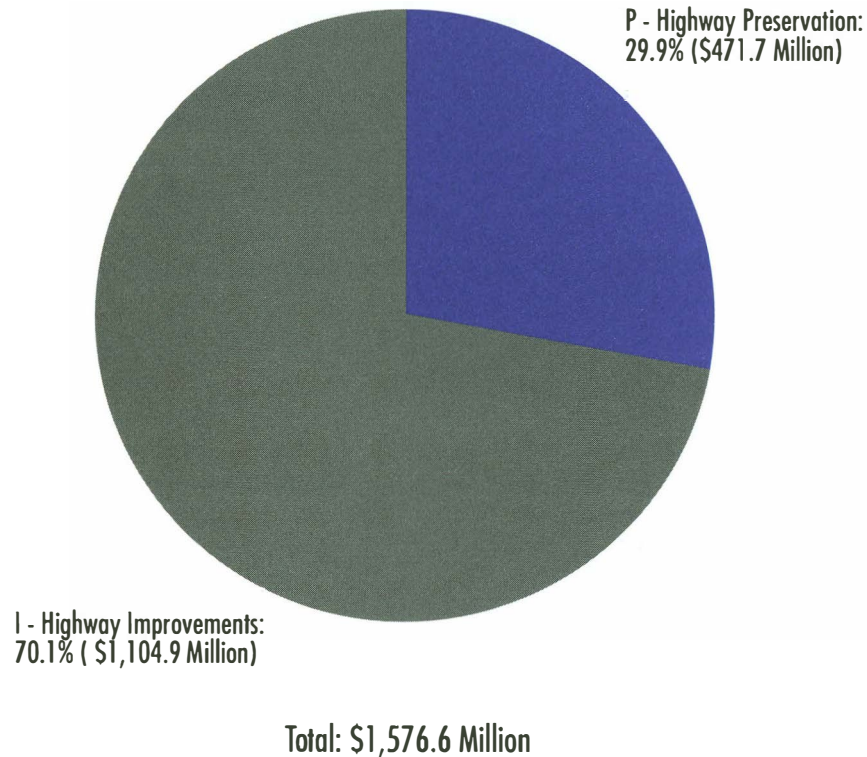
Agency Total **\$460.3**

* To be funded with new or additional revenues.

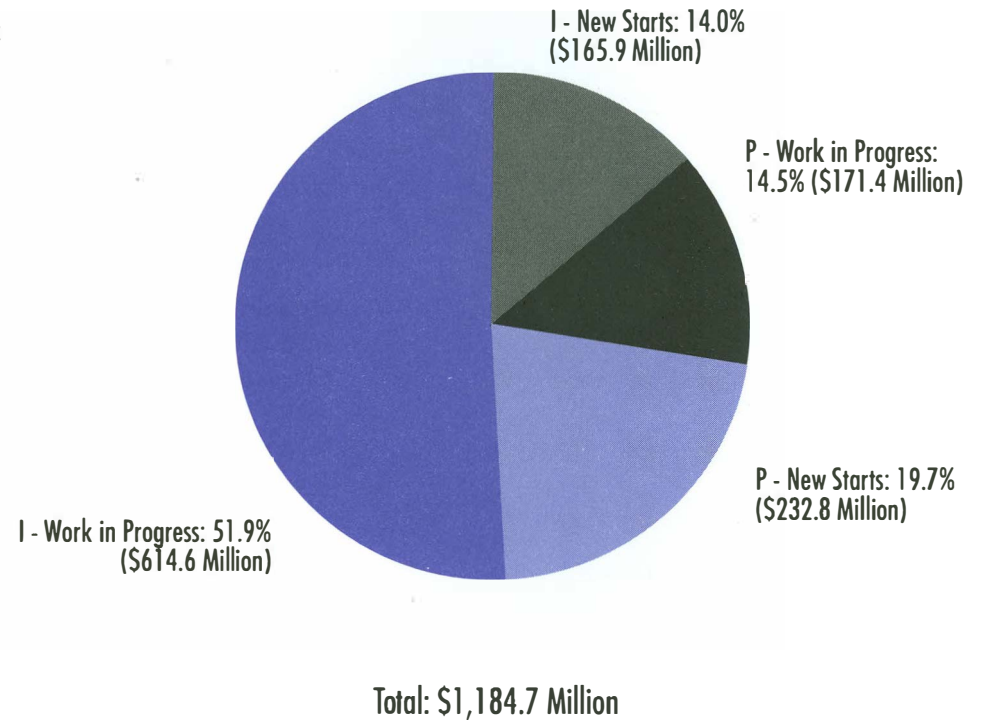
WSDOT Budget

Highway Construction

1993-1995 Appropriations*



1995-1997 Current Law Budget Request



* Restated into new program structure.

Transportation for the 21st Century

What makes planning and investment for transportation necessary?

- Modern-day commerce demands high-quality transportation facilities. State and regional economic development cannot proceed without them.
- Transportation investment permits personal mobility and the movement of goods and services.
- An extensive, effective and efficient transportation system makes our state attractive to new commercial investment.

By the year 2020, our state's population is expected to increase by 50%, exacerbating highway congestion. In many areas of our state, heavy traffic has greatly protracted commuting times. Freight moving along our highways indicates job growth but also contributes to congestion.

These changes powerfully affect our lives as our life-styles make us more dependent on the state transportation system. Many people are choosing to live as far away from work and activity centers as the existing transportation system will allow. Meanwhile, our ability to address congestion is diminished. Higher fuel efficiency means fewer trips to the gas station—and fewer gas tax dollars for transportation investment.

In the foregoing pages, we have seen how growth in transportation system use exceeds our current financing resources. The Transportation Commission has proposed a funding scenario and a budget for the Department that will help us to meet our transportation needs into the 21st century. A revenue stream that grows with our needs is imperative if Washington residents are to continue enjoying a balanced and integrated statewide transportation system.

Examples of the specific short-term benefits of transportation investment in Washington State:

- Approximately 35,000 jobs in the state economy are supported by the WSDOT budget.
- About \$100 million in revenues to the State General Fund are collected from highway contractors and their employees.
- Nearly \$2 billion in WSDOT programs directly support statewide economic development.