



BILL BRIEF

SB 5165 – 2021-23 Transportation Budget

Key Information

- The House proposed \$10.9 billion for the transportation system and **conference agreement provides \$11.8 billion.**
- Documents can be found at <http://leap.leg.wa.gov/leap/budget/detail/2021/st2123Bien.asp> including the project list that will reflect delays which tend to be at the request of WSDOT.

Background

As of March 2020, the 2019-21 budget was \$10.4 billion. The proposed second supplemental budget reduces the amount by \$1.3 billion. The [revenue forecast](#) projects \$6.3 million in state revenues for 2021-23, a loss of \$134 million from the March 2020 projections. There is an expectation of **more than \$1 billion in federal COVID-19 relief funding** in addition to the normal federal allocation. Bond authority is \$2.5 billion to issue more debt while current bond obligations and debt service is expected to be \$1.86 billion.

The Washington State Department of Transportation (WSDOT) has had a difficult time spending the funding allocated to them. COVID-19 construction protocols have exacerbated the situation. The Legislature is often told that right of way acquisition, environmental permitting, and mitigation are reasons for delay.

The [governor requested \\$10.8 billion](#) which provided full funding for fish passage barrier removals until 2031, along with over a billion dollars in new spending for electrification and preservation and maintenance. It relied on a reciprocal amount of money being delayed from Connecting Washington projects. There were staffing furloughs.

What this budget provides

- An increase to \$8 billion for the Department of Transportation (some of the amounts below are subsets of this amount).
- \$374.5 million for the Department of Licensing.
- \$550 million for the Washington State Patrol, including an additional trooper class.
- \$224 million for the Transportation Improvement Board.
- \$101 million for the County Road Administration Board including \$2 million for the emergency loan fund instead of \$5 million.

Key messages

This budget funds the basic transportation needs of the state, and is funded by motor vehicle tax revenues, license and registration fees, fares, and tolls.

Unlike the state's operating budget, the transportation budget has taken a massive hit due to the year-long shutdowns associated with the pandemic.

This budget assumes an infusion of more than \$1 billion in federal pandemic funding, most of which will be directed toward backfilling holes left by toll and fare reductions and paying for fish passage barrier removal.

The conference budget is separate from the discussions of the "grand bargain" involving decarbonization bills and new transportation tax and spend plans. It was negotiated in a bipartisan manner.

Bill Status as of April 25, 2021: Passed Legislature.

- \$520 million for maintenance and **\$849 million for preservation**. Unfortunately, an additional \$380 million annually would be necessary to address the backlog of preservation.
- An increase of a little less than \$400,000 to **\$4 billion for program improvements**, including many Connecting Washington projects. There remain WSDOT requested project specific delays.
- **\$726 million request by WSDOT to address fish passage barriers for 2021-23**; \$400 million of this amount is federal COVID relief funding. If for some reason the federal funding is not available for this purpose, there is state funding that will become available. It is a unique contingent construct. Furthermore, WSDOT and the Brian Abbott Fish Barrier Removal Board must provide a comprehensive statewide culvert remediation plan by June 30, 2021. Since both have culvert replacement lists, this report is basically asking them to give the Legislative what they are planning.
- \$541 million for operating costs and \$505 for capital costs for the Washington State Ferries. **The bill provides \$25 million to convert two Jumbo Mark II vessels to hybrid electric and \$152 million in 2021-23 and \$30 million more in 2023-25 to purchase a new 144-car ferry**. Language is provided to show intent to pay for five vessels consistent with [2019 legislation](#). JLARC is given \$300,000 to do an independent review of the design build contracting process for the hybrid-electric vessel procurement process. A final price on those ferries is still be negotiated.
- An increase above 2019-21 levels to **\$5 million** instead of the House proposed \$7 million **towards clean-up of illegal encampments on WSDOT right of ways**.
- Adopts the House position on the US 12/Walla Walla project, which provides \$14 million in 2023-2025 for the cost increase for Phase 8.
- **The Transportation Commission is directed to evaluate transportation funding options to recommend new funding sources that do not rely on vehicle owners or drivers in a report due fall of 2022.**
- **The Transportation Commission will continue its research and pilot of a road usage charge /pay-by-mile charge**. They have been asked to also examine options to index such a charge to account for the differences in fuel efficiency of vehicles so that comparable vehicles pay the same rate.
- It incorporates provisions of HB 1546 authorizing the House level of funding of \$768,000 in the Multiuse Roadway Safety Account to be used for grants for cities and counties to be able to maintain wheeled all-terrain vehicle routes, develop maps and brochures, and provide safety and directional aids for tourism.
- The House provided \$72.7 million for **special needs transportation** while the Senate provided \$62.8 million. The conference agreement provides **\$67.8 million**.
- The House provided \$32 million for the **green transportation capital grant program**. The Senate provided \$16.3 million. The conference agreement provides **\$21.3 million**.
- The House provided \$46 million for **pedestrian and bicycle safety program projects** while the Senate provided \$27.6 million. The conference agreement provides **\$32.6 million**.
- The House provided \$38.3 million for **safe routes to schools programs** while the Senate provided \$31.7 million. The conference agreement provides **\$36.7 million**.
- The House passed \$6 million for the **Pre-Apprenticeship & Supportive Services (PASS) grant program**. The Senate provided \$1 million, which was the same as the prior biennium. The conference agreement provides **\$4 million**.
- \$2.4 million is provided for a clean alternative fuel vehicle pilot program, and the Senate language was adopted to ensure that both urban and rural communities in different locations throughout the state are part of the pilot.
- **Collective bargaining agreements are authorized to be reopened to modify so that furloughs are no longer assumed**.
- **\$2 million** is provided to the Office of Minority & Women's Enterprises **to increase the number of certified contractors outside of the Puget Sound area**.
- All of the proposed studies for the Joint Transportation Committee are included.
- Changes the Freight Mobility Strategic Investment Board to be more of an advisory board than an organization that awards funding for freight programs. The federal freight dollars will be directed towards Connecting Washington projects on freight corridors.

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