



# ISSUE BRIEF

## Governor's 2022 Supplemental Transportation Budget

### Key facts

- The 2021-23 budget as passed is \$11.8 billion.
- The governor is asking for hundreds of millions in new spending for his climate and equity priorities.
- The [November forecast](#) projects \$6.7 billion in transportation revenues for 2021-23. The federal apportionment forecast is for \$1 billion in federal funding.

### The debate

This is a supplemental budget, meaning that the agencies should have sufficient funding to address their needs, and the requested modifications typically are minor adjustments and used to deal with emergent issues. The Inslee Administration addresses many issues related to staffing, equity, and expenditure of federal and carbon emissions reduction account funding.

### Overview of the Governor's Transportation Budget

OFM estimates \$500 million in new coronavirus fiscal recovery funds and \$363.6 million of one-time General Fund–State funds are added to the transportation budget. Some of these funds are for projects that won't be built during this biennium.

Here is a list of some of the proposed changes:

- It includes an additional \$324 million over three years added to the \$1 billion Washington State Ferries budget to fully fund the first 144-car hybrid-electric ferry that will cost over \$200 million in total, a second 144-car hybrid-electric ferry, and convert a second Jumbo Mark II vessel to hybrid-electric, and pay for the charging infrastructure at three terminals.
- \$41 million for a variety of employee-related changes. They provide new funding to help WSF correct hiring practices that have been part of the culture of ferries for a long time, such as no longer having all new employees be on call for two years without guaranteed work or pay. WSF may install a new dispatch system that they think will be more efficient since the collective bargaining agreements create a very complex structure for scheduling employees to work. They are requesting the ability to hire a human resources consultant and additional staff to do year-round recruitment.
- \$406 million for the shortfall in the SR 520 Roanoke Lid and Portage Bay Bridge project (selling \$80 million in bonds in 2029-31).
- \$450 million for the shortfall on the I-405/SR 167 corridor.
- \$9 million more for the City of Seattle Alaskan Way Viaduct replacement-related project expenses.
- More than \$4 million to continue working on an ultra high-speed rail network from Portland, OR to Vancouver, BC with authorization to obtain a federal grant to do this instead of state funding. The legislature has chosen not to fund this request in the past mostly because it is an unrealistic endeavor considering the inability to pay for existing infrastructure.
- \$16.9 million in federal funding to implement a national electric vehicle program established by the Investment and Jobs Act.
- Directs \$127.3 million from the Climate Commitment Act to be available the last quarter of 2023 for transportation-related activities. This includes:
  - \$1 million for electric vehicle promotion
  - \$30 million more for existing bike and pedestrian grant programs

- \$15 million more for Safe Routes to School [added to \$50 million]
- \$30 million more in green transit grants [added to \$22 million]
- \$30 million more for special needs transit [added to \$68 million]
- \$3 million towards a rural electrification transit planning grant
- \$10 million new transit access program
- Western Washington University is to study the number of nondrivers in Washington to find out their reasons for not driving and report to the legislature by February 1, 2023.
- \$100,000 is directed to study whether commercial drivers licensing requirements and fees need to be adjusted to help alleviate driver shortages; and to create a pilot program for pre-release commercial driver training for incarcerated individuals.
- Deployment of federal allocated funding, which the legislature tends to put towards preservation and maintenance activities because those do not have to go through lengthy federal and state environmental processes.
- \$25 million increase to the highway maintenance program, including \$5 million for clean up of highway right of ways.

## What to expect in the 2022 session

From the governor and other Democrats, expect to see a budget that will include funding for some of the governor's proposals, but not all of them. Electrification of ferries has been supported in the past along with carbon reduction spending and improvements and equity modifications.

From Republicans, expect to see attention to honoring choices made when Connecting Washington was passed and apply fiscal responsibility to choices made in the budget. Expect to see support for Republican transportation bills. There may be a discussion about whether WSDOT can actually spend the money they have been given because performance metrics indicate they are having difficulties already due to staffing shortages. Republicans might advocate for funding to be directed toward rest areas, truck parking, and replacement of aging highway infrastructure, and are likely to prioritize safety of the traveling public for use of resources.

## Additional information

- [Governor's transportation budget highlights](#)
- [Transportation financial plan](#)
- OFM's website with [bill and supporting documents](#)
- OFM Transportation Revenue Forecast: <https://ofm.wa.gov/budget/transportation-revenue-information>
- DOL data (# of vehicle registrations, # of driver's licenses, etc.): <https://www.dol.wa.gov/about/docs/2021-FY-stats-at-a-glance.pdf>