



MEMORANDUM

TO: Southwest Washington Regional Transportation Council Board of Directors
FROM: Matt Ransom, Executive Director 
DATE: January 7, 2020
SUBJECT: State Legislative Session Update

AT A GLANCE – INFORMATION

The purpose of this memorandum is to keep the RTC Board apprised of proposed state legislation.

BACKGROUND

The Washington State Legislature will convene for its 2020 session on January 13 and is scheduled to complete the short session on March 12. This upcoming legislative session is meant to primarily address interim or supplemental budget adjustments and to consider priority policy bills. At the outset of the legislative session, RTC staff will begin tracking bills that would revise laws that govern transportation funding, planning, and RTC operations.

In addition to monitoring proposed legislation, staff will also be available to assist Legislators and RTC Member agency staff (or their lobbyists) by providing current information in regards to RTC plans and recommended projects through the Board endorsed Regional Transportation Plan (2019) and current Clark County Transportation Alliance 2020 Policy Statement.

KEY TRANSPORTATION ISSUE FOR 2020 LEGISLATIVE SESSION

Addressing the policy and budget impacts associated with Initiative-976 will be the most significant transportation issue before the Transportation committees and Legislature in YR 2020. To date, a King County Superior Court granted an injunction on November 27, 2019, temporarily suspending implementation of the new law. The Washington Supreme Court will hear arguments in the case later this year and may resolve the validity questions raised in the various complaints. In the meantime, local governments and the Washington Legislature will be faced resolving the budget gaps that may be created should I-976 become law or enacted as such.

Known revenue/budget gaps may occur across an array of programs and government entities. At a state level, revenue/budget gaps are forecast to exist across a diverse set of transportation related programs. For local governments, there may be reductions of state-shared transportation distributions to cities and counties. Further, for those local governments that had implemented a license-fee based Transportation Benefit District, potentially significant revenue losses to local transportation programs may result. For transit operators and other community based transportation service providers, there may be losses of expected state grant revenues which could compromise existing or planned transportation services and capital investments.

This is a multi-dimensional issue which will affect all layers of government within the region. It is anticipated that the Legislature will tackle many of the revenue and policy topics that were affected / triggered by Initiative-976, at least on an interim basis. It is very likely that this overall issue may take more than one legislative session to fully resolve.

RTC staff summarized a high-level review of the potential impacts to the RTC region for a roundtable focus group meeting convened by Senator Patty Murray (December 6, 2019) which is attached for reference.

GOVERNOR’S BUDGET PROPOSAL

Governor Inslee has proposed a 2020 Supplemental Transportation Budget designed to provide immediate focus to WSDOT in regards to how to implement I-976 (*until further guidance and law is passed by the Legislature*). The Governor’s budget proposal puts transportation projects on hold to offset lost revenue for an interim period. It also provides guiding principles including a list of projects that have been “paused” in the 2020 Supplemental Budget proposal. For the RTC region, several capital projects have been paused, pending legislative and budget resolutions.

Details of the Governor’s proposal are described in the attached: [Proposed 2020 Supplemental Budget and Policy Highlights \(source: Office of Financial Management, December 2019\)](#).

DEPARTMENT OF TRANSPORTATION BRIEFING

Each year, the Secretary of WSDOT provides a “State of Transportation” briefing to the House and Senate Transportation Committees. This briefing typically occurs during the first week(s) of the legislative session. These briefings are a great opportunity to see WSDOT’s summary of the priority issues affecting the state, regional and local transportation system providers. The briefing typically covers a diversity of topics such as: maintenance/preservation, capital investments, policy topics, and future technology issues.

RTC staff will monitor this presentation and report back with key information.

BILL STATUS

As of this report, RTC staff have been monitoring these bills as summarized below. You can access the Bill page by clicking the Bill # hyperlink:

Bill #	Summary	Perceived Impact	Status
NA	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>

FUTURE TRANSPORTION ISSUES *(beyond 2020 Legislative Session)*

Transportation revenue and projects will dominate much of the dialogue during the 2020 legislative session. As a result, it is likely that further development and/or proposals for a “new” transportation revenue package will become more focused. During the 2019 legislative session, the Senate Transportation Committee held hearings on a series of proposed bills for a [New Law Transportation Funding Package](#). Early whisperings suggest both the Senate and the House committees may renew discussions about the development of a new long-term transportation funding package.

In addition, through 2020 the Joint Transportation Committee (JTC) will be reviewing the work of their ongoing [Statewide Transportation Needs Assessment](#) study. This study is designed to document the overall transportation system needs at a statewide and multi-modal level (across all transportation service providers). In addition to the assessment of needs, the study will report on revenue options and case studies. The culmination of this study will provide the JTC with a summary of needs and revenue options, and a short list of high-impact transportation projects that must be addressed at the state level due to extraordinary scale, scope, and/or cost.

It is expected that this work will lead to recommendations to the Legislature for consideration during the 2021 legislation session.

NEXT STEPS

RTC staff will continue to monitor proposed bills which are currently or may be introduced during this legislative session. In addition to monitoring, RTC staff will provide information and input to the Board, Legislators, and RTC Member agency staff as requested.

Attachments



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Member Jurisdictions

Clark County
Skamania County
Klickitat County
City of Vancouver
City of Camas
City of Washougal
City of Battle Ground
City of Ridgefield
City of La Center
Town of Yacolt
City of Stevenson
City of North Bonneville
City of White Salmon
City of Bingen
City of Goldendale
C-TRAN
Washington DOT
Port of Vancouver
Port of Camas-Washougal
Port of Ridgefield
Port of Skamania County
Port of Klickitat
Metro
Oregon DOT
14th Legislative District
17th Legislative District
18th Legislative District
20th Legislative District
49th Legislative District

December 6, 2019

The Honorable Senator Patty Murray
154 Russell Senate Office Building
Washington, DC 20510.

Delivered to Southwest Washington District Office:

RE: Potential Impacts of Washington Initiative “I-976” to Regional Transportation Services in Southwest Washington (Clark, Skamania and Klickitat Counties)

Dear Senator Murray:

Thank you for inviting the Southwest Washington Regional Transportation Council (RTC) to participate in a statewide roundtable discussion on December 6, 2019. The following summary comments are provided as a record of those which I will attempt to convey in the meeting today.

For reference, RTC is the federally designated Metropolitan Planning Organization and state designated Regional Transportation Planning Organization covering the three southwest Washington counties of Clark, Skamania and Klickitat. RTC serves our twenty-five member agencies, by providing coordination of regional transportation planning and investments to serve these communities.

Without question, passage of I-976 will have a direct negative effect on many of the twenty-five member agencies of RTC, and by extension will affect the residents and businesses of southwest Washington which rely on good functional and well maintained regional transportation and public transit services. While the full extent of impacts are unknown, and changes to conditions may occur in the coming months in response to legislative action, what we do know is that potentially significant impacts are on the horizon.

As of last week, Washington Secretary of Transportation Roger Millar issued a notice to temporarily freeze spending and grant commitments to nine vital projects in southwest Washington, effectively **halting over \$28.5 Million in funding for regional transportation projects**. State legislative discussions in 2020 may change those effects as budgets are amended and projects delayed or cancelled in response to the reduced revenues.

Senator Patty Murray

December 6, 2019

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At the local level, several cities in Clark County have been utilizing the previously authorized Transportation Benefit District (TBD) authorities. **Combined losses of revenues to those cities are roughly \$7 Million for YR 2020.** And that figure will compound yearly thereafter. Most of those funds are being used for basic street maintenance and traffic safety. While in some cases, the funds were being used as “local match” for state or federal grant applications. In total, the maintenance cycles for streets within these cities will be delayed and **potential “leveraging” of TBD revenues and state grant dollars will be foregone.**

While these immediate project delays and lost maintenance and traffic safety revenues exacerbate acute conditions within our region, what I am most concerned about are direct harmful impacts to our region’s most vulnerable residents, and impacts to regional and bi-state partnership that have taken many years to formulate.

I currently foresee the greatest potential harm to our rural communities in Skamania and Klickitat counties, and specifically for the public and senior transportation service providers within those counties. As you know, these two counties are very rural with limited services. The transit and senior service providers are funded largely through the states transit Consolidated Grant Program. The immediate uncertainty created by I-976 has placed vital vehicle acquisitions on hold and the lingering uncertainty regarding service continuation could have the detrimental impacts to both existing and future services and may disrupt bi-state transit partnerships through the Gorge Translink alliance which is a coordinated bi-state program within the Gorge region. It is estimated that if not addressed, **these rural community service providers could see reductions of up to 80% of their capital and operating revenues,** which are almost solely tied to state/federal grant funds. Additionally, the RTC region’s tribal transit services could see reductions in operating and capital resources.

It is with urgency that RTC and others seek information and resolution to help our agencies and communities in addressing these impending funding reductions. As a regional agency, we believe there is room for both state and federal legislative intervention, and we are ready to partner with any member of Congress or of the state Legislature to brainstorm strategies and potential solutions to this immediate issue.

Thank you for inviting RTC to provide input, and if I can be of further assistance to you and your staff, please let me know.

Sincerely,



Matt Ransom
Executive Director

Transportation

Budget puts transportation projects on hold to offset lost revenue

In November, Washington voters approved Initiative 976, which significantly cuts funding for state and local transportation projects and operations. It lowers state car-tab fees, repeals Sound Transit car-tab taxes and eliminates a .3% sales tax on vehicle purchases and the authority for cities to charge car-tab fees.

The initiative is projected to reduce state transportation funding by about \$454 million in the current biennium and by more than \$1.9 billion over six years. In addition, total revenue losses for local governments and Sound Transit are projected at more than \$2.3 billion over six years.

In immediate response to the initiative, Gov. Inslee directed the Washington State Department of Transportation to [pause certain projects](#) that are planned but not yet underway. To offset the revenue losses, his supplemental transportation budget directs the department to continue project deferrals for seven months (from Dec. 1, 2019). [Deferred projects](#) are in WSDOT's highways, public transportation, rail and local programs. Pausing projects gives the governor and the Legislature more funding flexibility as they develop a plan for implementing the initiative and make revisions to the current two-year budget.

In implementing the governor's directive, the supplemental budget directs the department to follow guiding principles, including:

- Maintain safety in our transportation system by continuing work on preservation and other related projects.

- Mitigate impacts on people who rely on transit, such as vulnerable individuals and seniors.
- Continue meeting legal obligations such as maintaining progress on fish passage barrier removal.
- Maintain matching funds from nonstate sources, when possible.

The budget also uses some fund balances and administrative reductions, shifts costs where possible and temporarily redirects some revenue to help address the funding gap.

Meanwhile, several local governments — including Seattle and King County — and transit agencies sued to overturn the initiative as unconstitutional on several fronts. In late November, a King County Superior Court judge granted a temporary injunction, finding that the plaintiffs “are likely to prevail on the merits of their constitutional challenge.” The final decision on the initiative’s constitutionality will likely rest with the Washington Supreme Court, which on Dec. 4 allowed the Superior Court injunction to remain in place.

Although the injunction places I-976 on hold, Gov. Inslee’s budget reflects the fiscal impact of the initiative’s passage. In accordance with the injunction, the Department of Licensing continues to collect car tab taxes and fees. The governor has directed the department to provide an accounting of the difference between actual collections and collections if the initiative were in effect as of Dec. 5, 2019.

Transportation Projects Paused in Supplemental Budget

HIGHWAYS

Projects paused for 7 months starting Dec. 1, 2019

SR 161/31st Ave SW Overpass - Improvements
SR 14/E of Bingen - Port of Klickitat Access Improvements
SR 99/S King St Vic to Roy St - Viaduct Replacement
US 12/Nine Mile Hill to Frenchtown Vic - Build New Highway
US 395/NSC Spokane River to Columbia - Shared Use Path
I-90/Barker Rd Intersection Improvements
I-90, US 97 & SR 970 Ellensburg Vic - CED Planning and Mitigation
SR 520/I-5 Interchange - Improvement
US 12/Nine Mile Hill to Frenchtown Vic - Build New Highway
SR 501/I-5 to Port of Vancouver - Intersection and Profile Improvements
US 395/Pasco - Flamingo Mobile Home Park Noise Walls
SR 509/I-5 & SR 516 I/C to 28th/24th Ave S - SR 509 Completion Stage 1
I-90/Barker to Harvard - Improve Interchanges and Local Roads
I-5/NB Seneca St to Olive Way - Mobility Improvements
US 395/Ridgeline Drive - Construct Interchange
I-90/Medical Lake I/C to Geiger Field I/C - Reconstruction - Phase 2
I-90/Canyon Rd Interchange - EB Ramp Terminal Improvements
SR 240/Richland Corridor Improvements
I-90/Raging River Bridge to Bandera Vic - Stormwater Retrofit
US 395/NSC Sprague Ave to Spokane River
I-90/Barker to Harvard - WB on-Ramp Improvement
I-90/Barker to Harvard - Add Lane Harvard Rd Bridge
I-90/Easton Hill to W Easton I/C WB - Replace Bridge and Build Detour
SR 9/SR 204 Intersection - Improvements
I-5/Northbound On-Ramp at Bakerview - Improvements
I-5/Northbound On-Ramp at Bakerview - Improvements

LOCAL PROGRAMS

Projects paused until 2021–23 biennium

Clinton to Ken's Corner Trail
Edmonds Waterfront Connector
Mill Creek-132 nd Street Mid-Block Crossing
Centennial Trail Connector -Phase 3
Columbia River Renaissance Trail Connection
Chelan - Traffic Improvements
Bingen Walnut Creek & Maple Railroad Crossing
Wilburton Trestle

PUBLIC TRANSPORTATION

Projects paused until 2021–23 biennium

Ben Franklin Transit: West Pasco Multimodal Hub
City of Kent: Rapid Ride Facility Passenger Amenities & Access Improv.
Ben Franklin Transit: Duportail Multimodal Hub
Ben Franklin Transit: Downtown Pasco Multimodal Hub
Seattle DOT: Market/45th RapidRide
Spokane Transit Auth: Cheney HP Transit Cor. Imp. & Vehicle Acquisition
City of Burien: Ambaum Blvd and H Line Transit Pathway Improvements
City of Longview-RiverCities Transit:Lexington Connector Exp.
Spokane County CTR Office: Liberty Lake Shuttle
King County Metro - Route 40 Northgate to Downtown

RAIL

Projects paused until 2021–23 biennium

SSPR Railroad - Marshall to Oakesdale Track Rehab (2019 FRAP)
Washington Eastern - Track Rehab - MP 11-24, 37-57 (2019 FRAP)
Columbia Walla Walla Railroad - Aggregate Hopper Cars (2019 FRAP)
Tacoma Rail - Marine View Drive Track Rehab (2019 FRAP)
Puget Sound & Pacific Railroad - Hoquiam Bridge (2019 FRAP)
Statewide - Emergent Freight Rail Assistance Projects
Bridge 12 (Salmon Creek) Replacement
Chelatchie Prairie Railroad - Railroad Tunnel Emergency Repairs
Chelatchie Prairie Railroad Roadbed Rehabilitation
Connell Rail Interchange

Additional projects on [WSDOT's pause list](#) will continue to be deferred until legislative action is taken.