



Transportation Futures

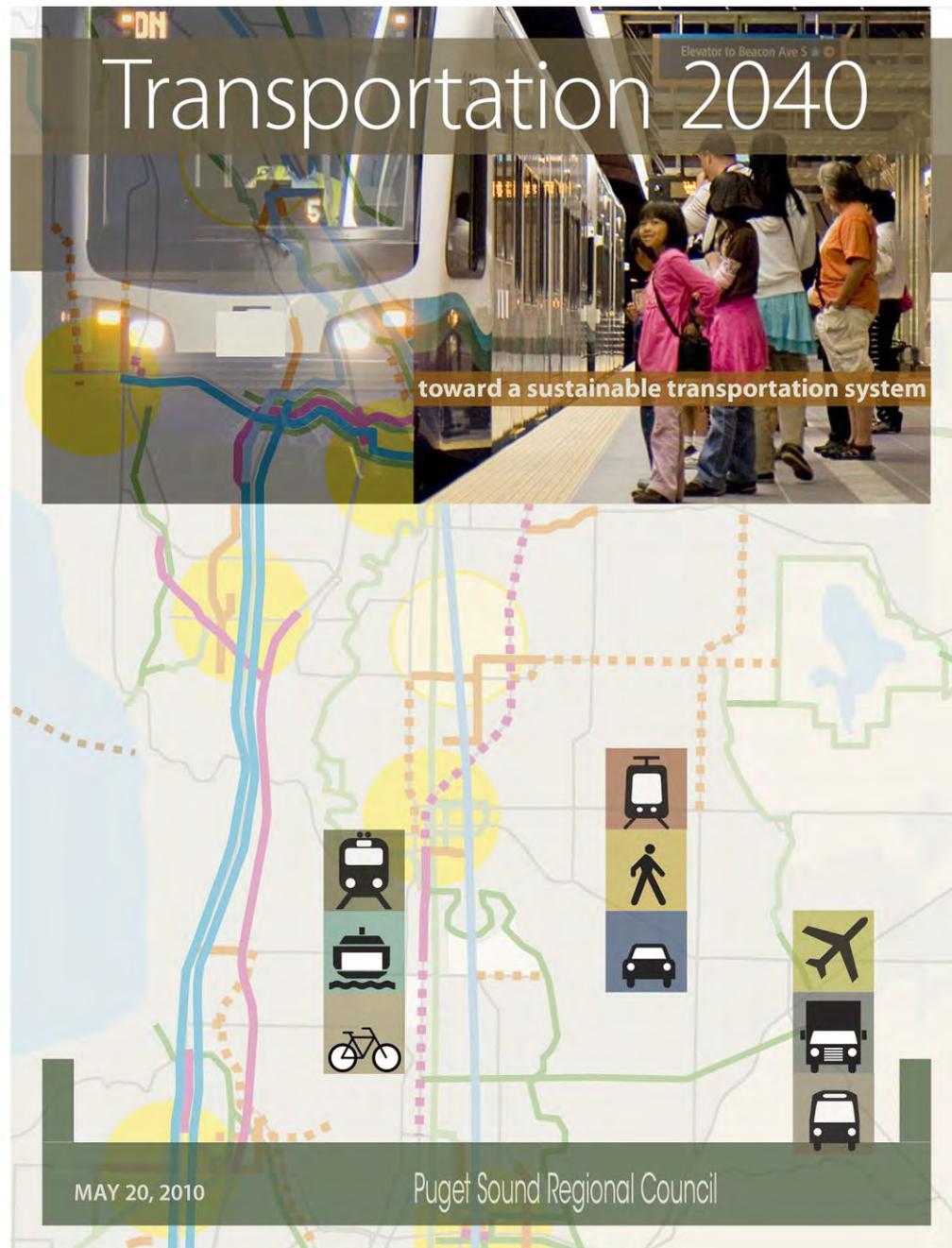
2016 Washington Tribal–State Transportation Conference

September 29, 2016

Central Puget Sound



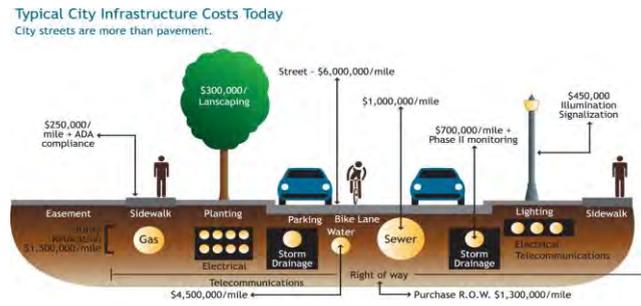
- 4 million people
- 2.2 million jobs
- 4 counties: King, Pierce, Snohomish and Kitsap
- 82 cities and towns
- Urban and rural
- 6400 square miles
- 1000 square miles urbanized



**\$174
Billion**

**Assumes phased
mileage fees and
freeway system tolling
2020-2040**

Investments to support growing region =



Counties
\$14.6B



Cities
\$35.3B

\$17



Local Transit
\$46.8B



Sound Transit
\$32.4B



State Ferries
\$8.2B

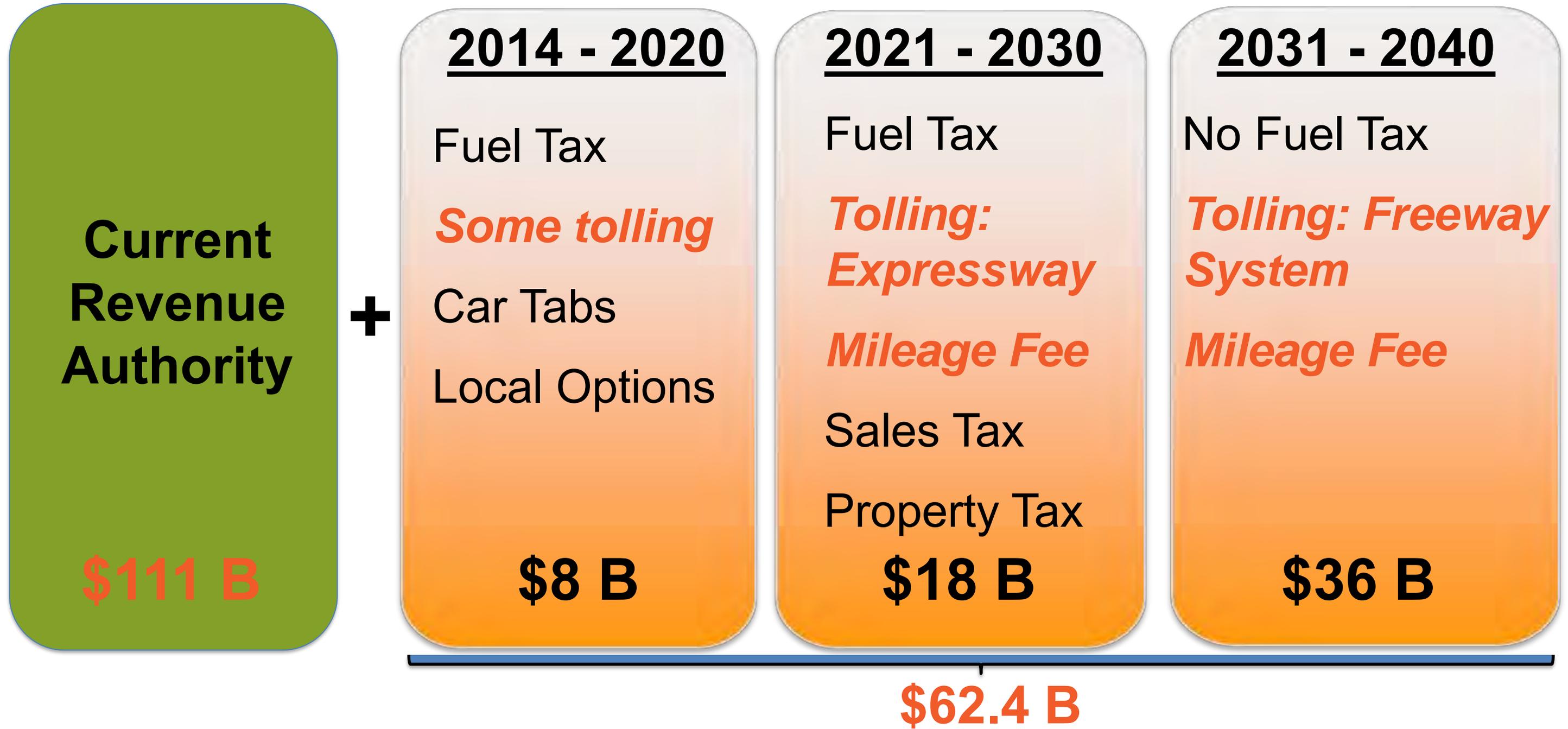


State Highways
\$29.2B

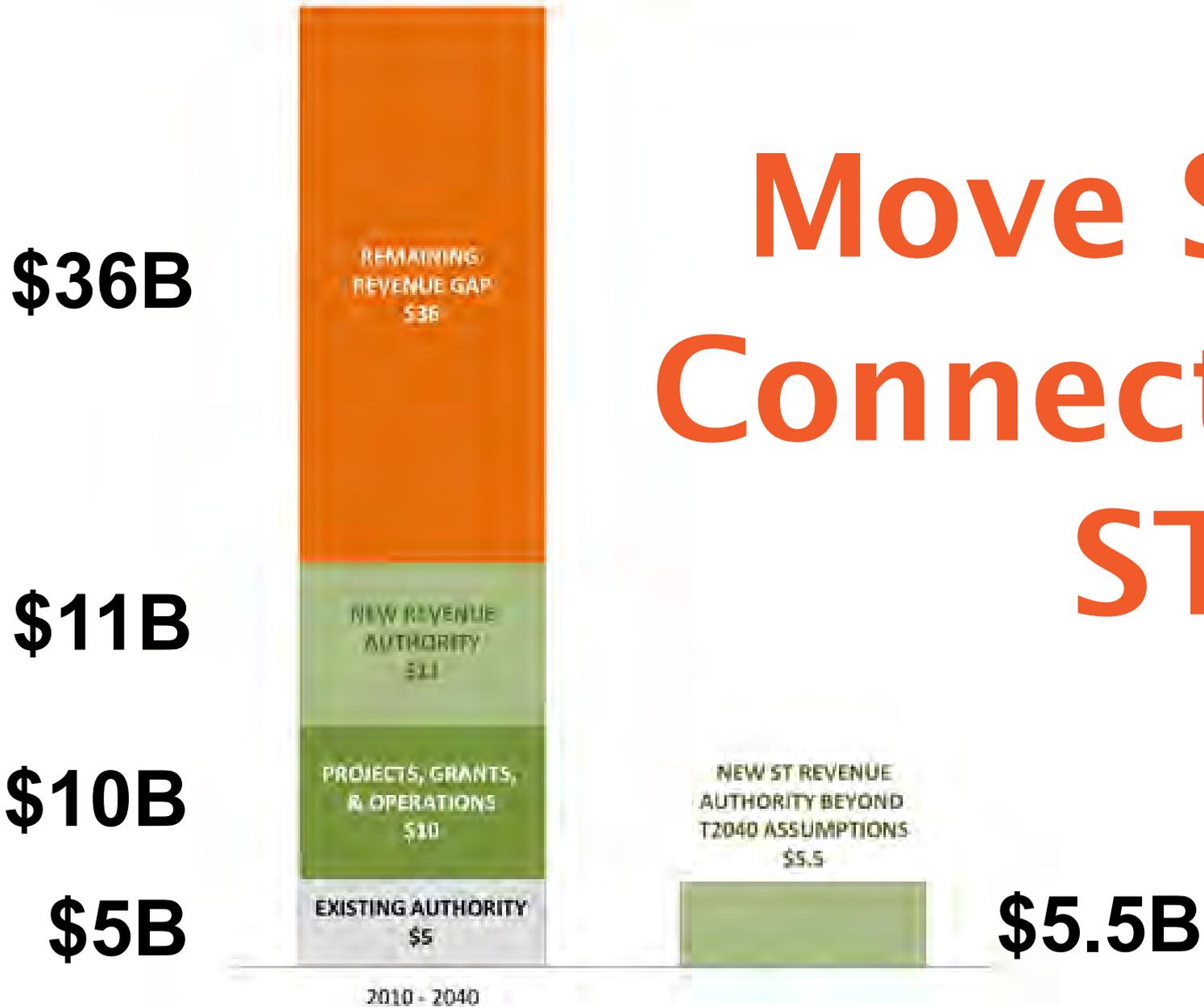


Other Regional
\$7.2B

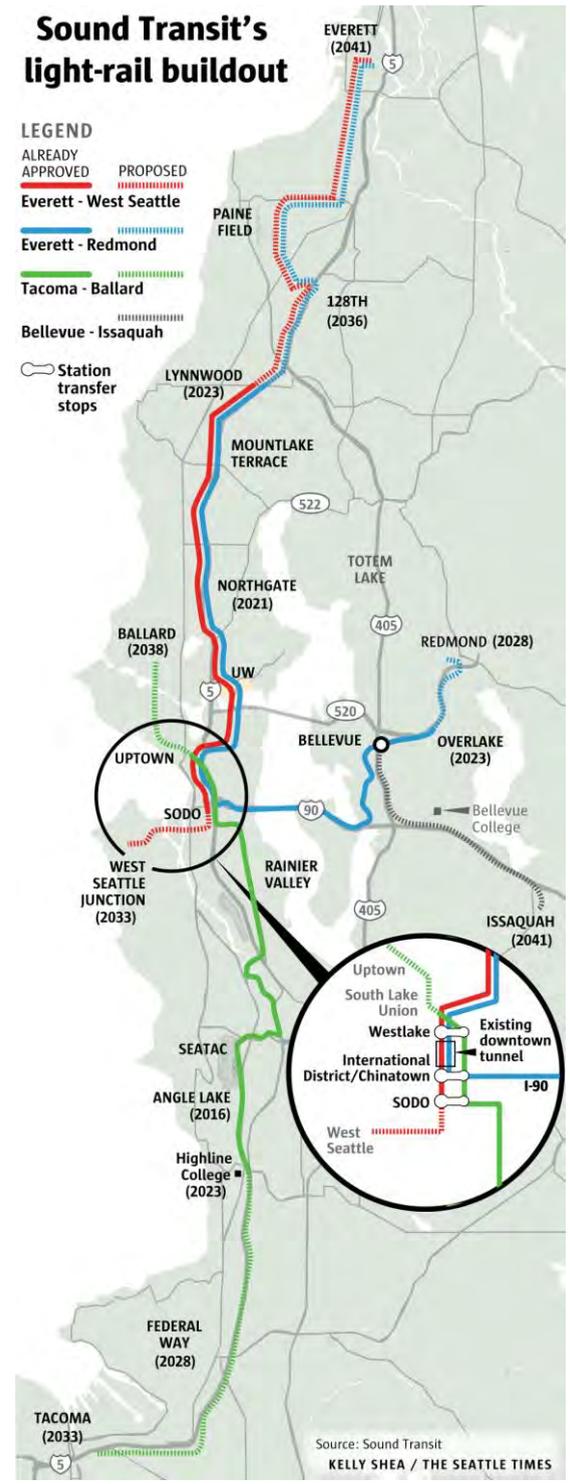
T2040 Funding Source Assumptions



**Progress Towards Implementing
Transportation 2040 New Revenue Program**
(billions of \$2008)



Move Seattle Connecting WA ST3



Challenges

- Relies on **Legislative action**
- **Public and Legislature resistant** to tolling
- Public **thinks gas tax is fine**
- Transition to **mileage fee is big change**
- Approaching “maximum” sales tax **rates**
- **Limited City / County revenue** sources
- **Backloading** in 3rd decade – (local investments last)

Task Force



Dow Constantine



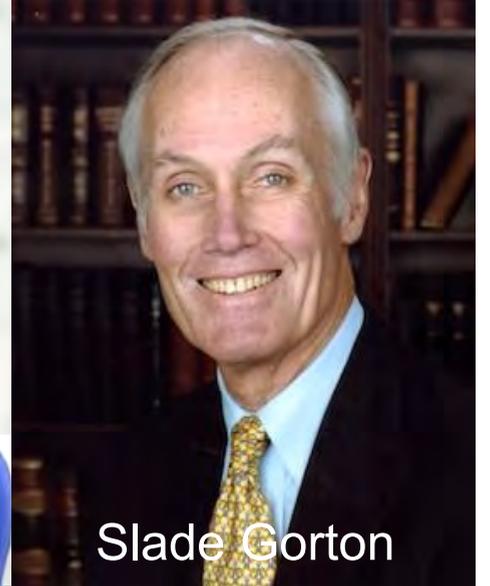
Norm Dicks



Leonard Forsman



Hillary Franz



Slade Gorton



Kimberly Harris



Jeff Johnson



Troy McClelland



Ed Murray



Clare Petrich



Shefali Ranganathan



Arthur Rubinfeld



Mike Sotelo



Rich Stolz



Marilyn Strickland



Matt Yerbic

Problem

Investments in the transportation system are not keeping up with the needs of a growing region and its environment.

Traditional funding sources are no longer capable of maintaining or improving mobility for a growing region.

Charge

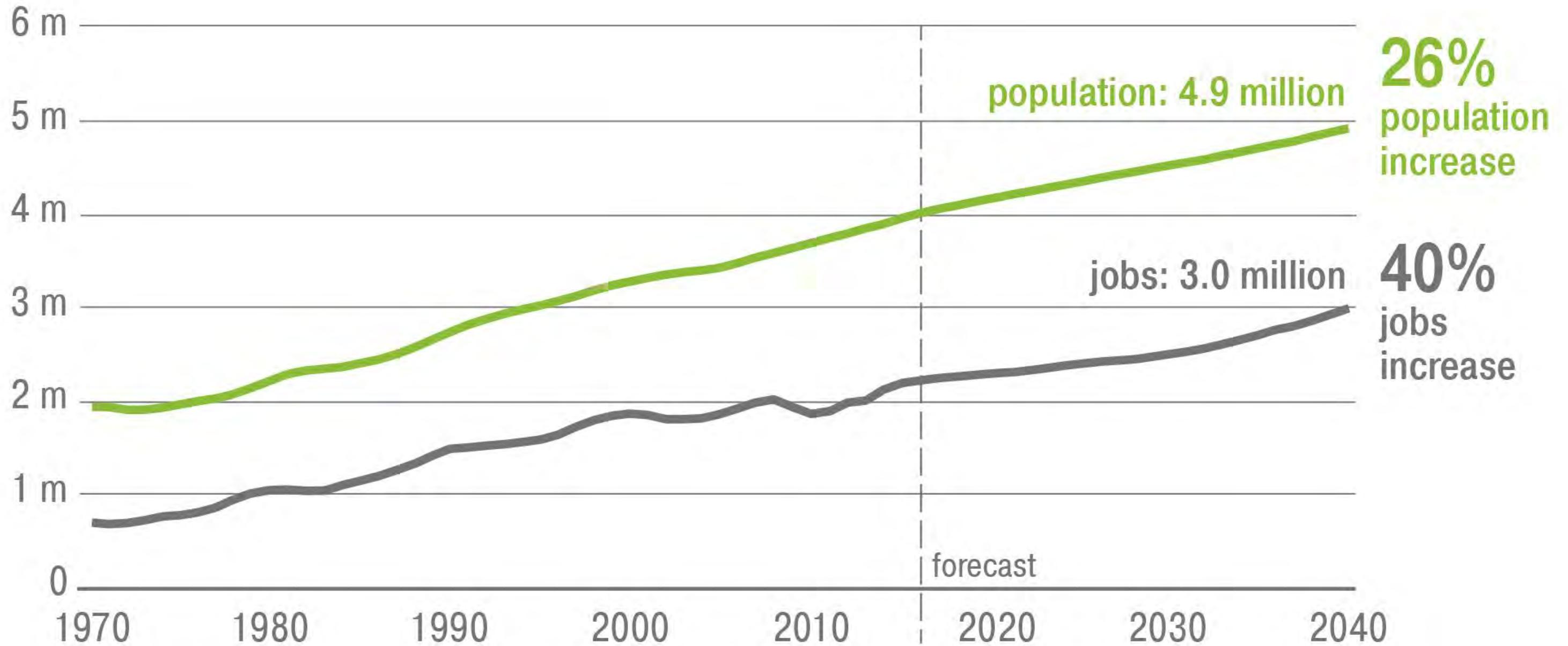
Recommend a strategy to provide an equitable, financially sustainable, and environmentally responsible regional transportation system that works for people, economic development, and quality of life.

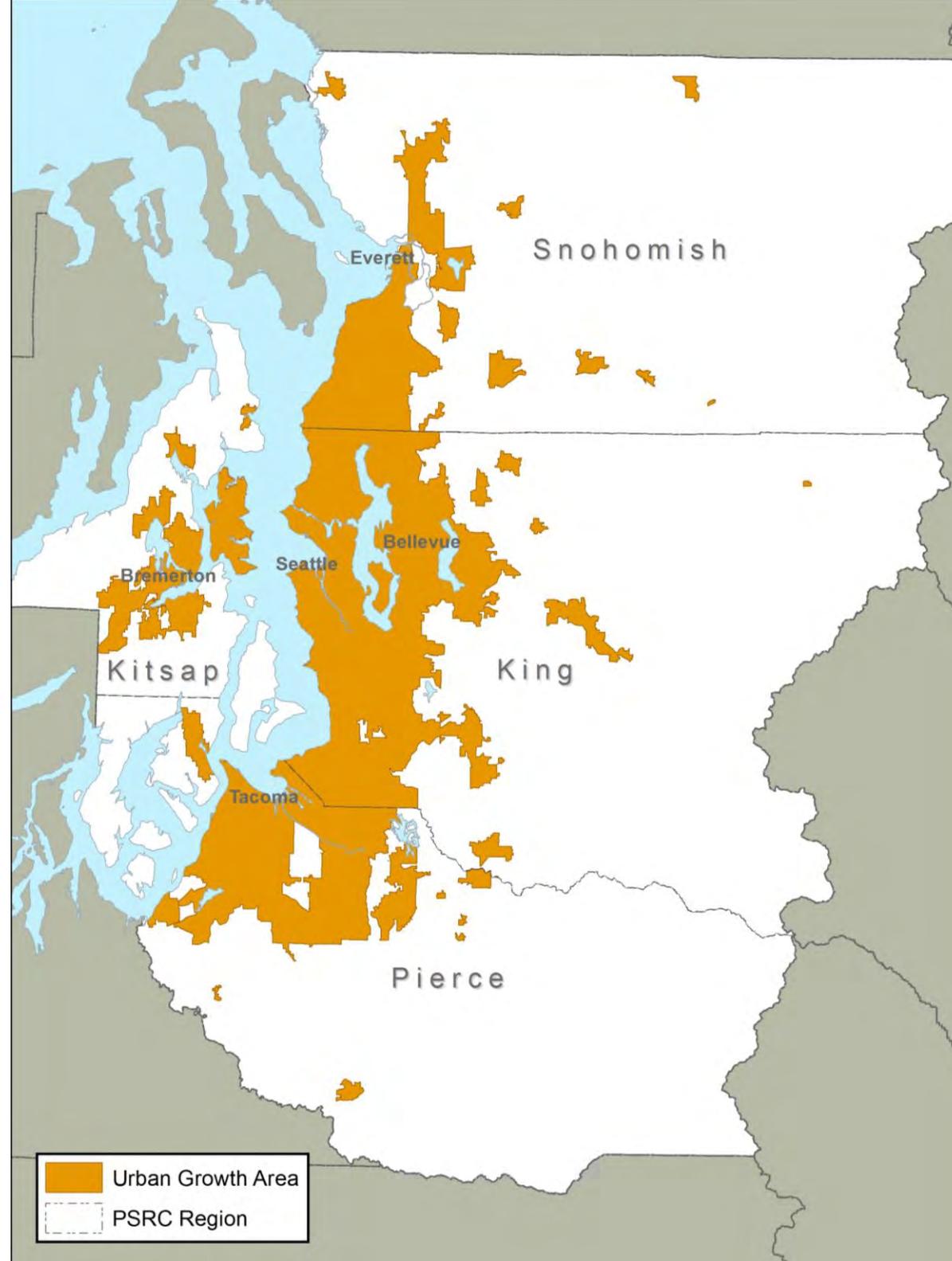
Work Program



The Region is Growing and
Will Continue to Grow

Regional growth forecast

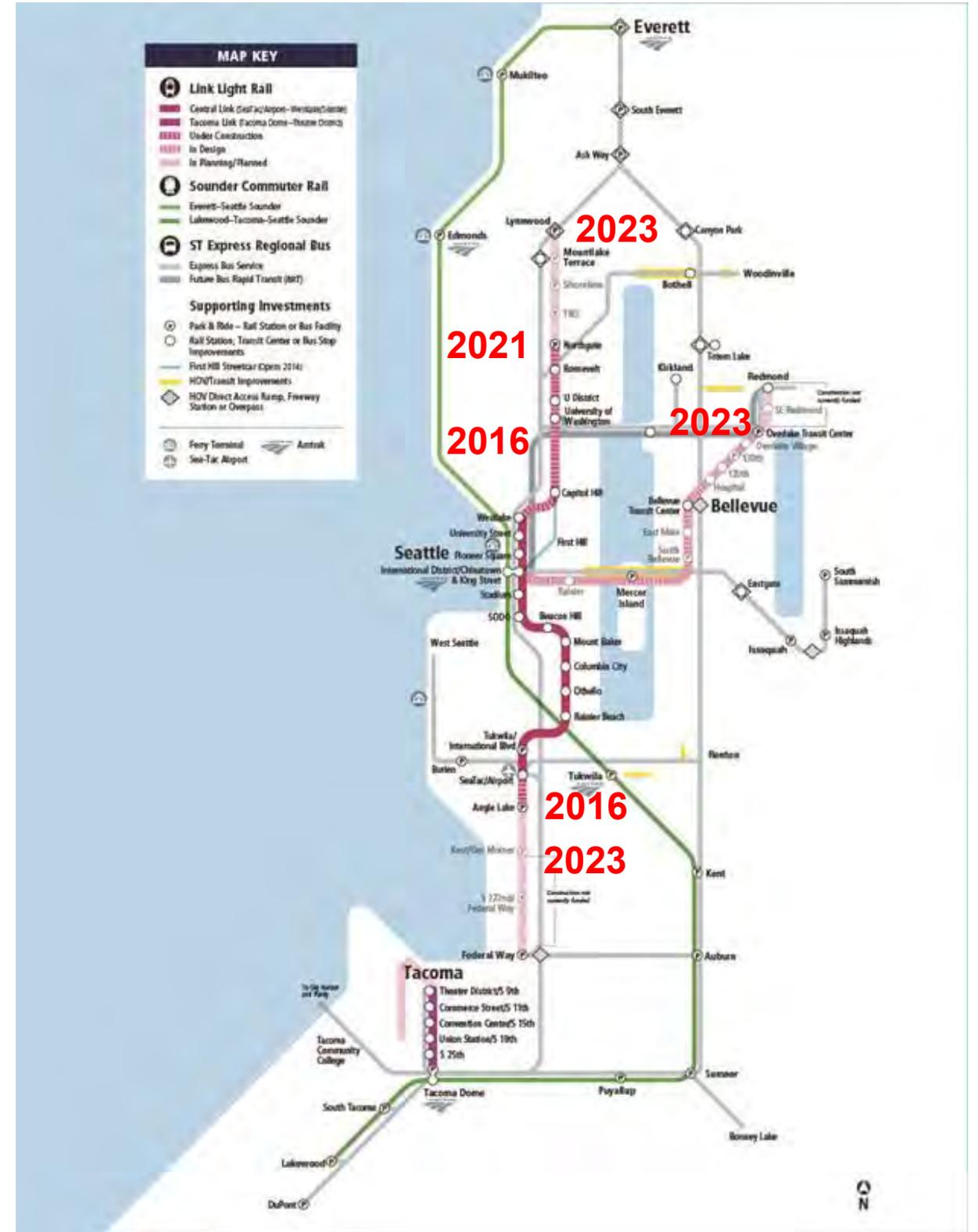
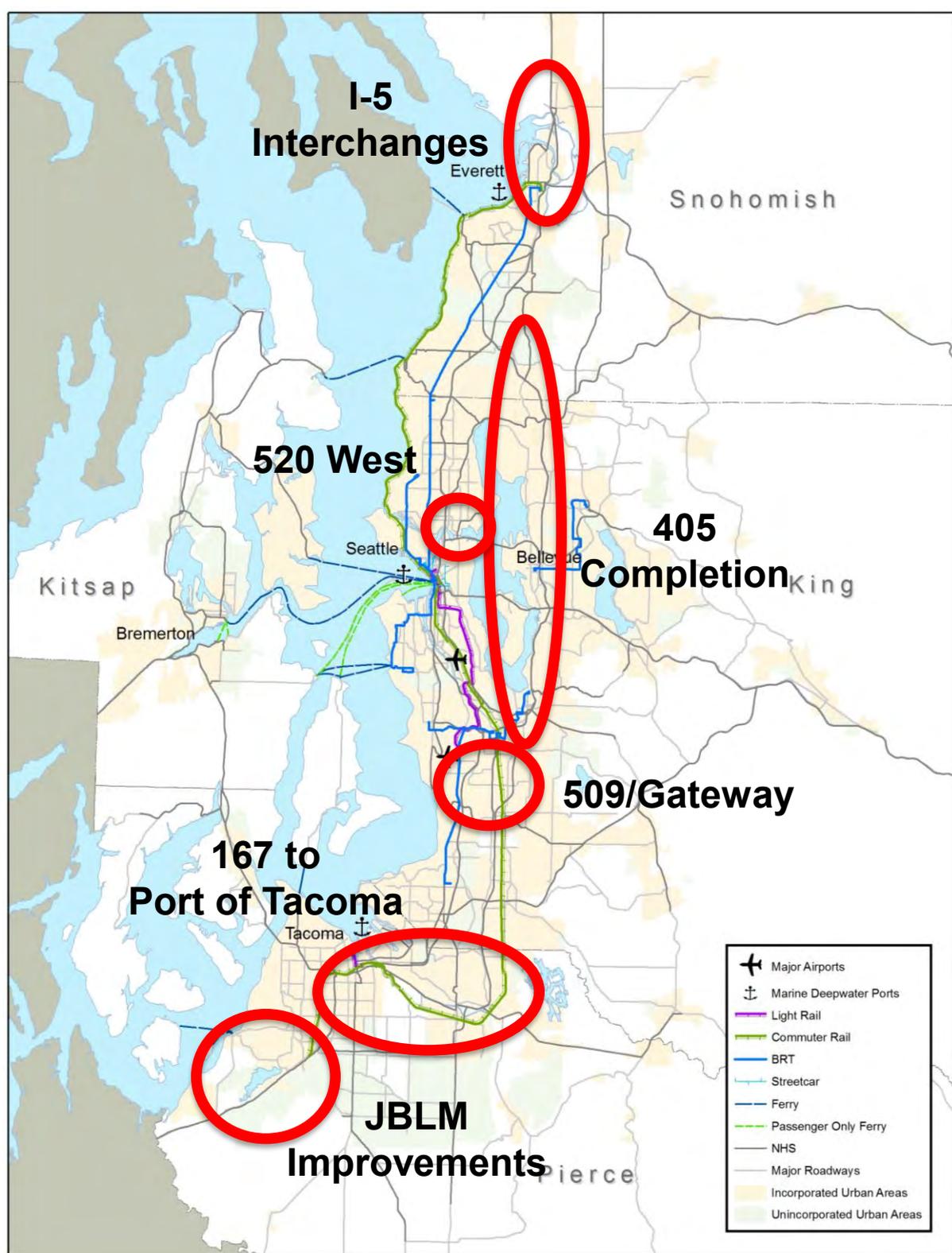




The Region's Transportation System is Fragile



**Key Investments are Being
Made, But More are Needed**



Local Investments



**Growth will increase
and change demand**

**Region has an
incomplete and
fragile transportation
system**

**Technology will help,
but isn't a silver**

bullet

1. The region is growing
2. Growth patterns are changing
3. The economy matters
4. Changing demographics
5. The environment matters
6. The system is fragile
7. More investment is needed
8. Travel behavior is different
9. Information technology is already changing behavior
10. Vehicle technology will improve

Approach

- **T2040 a good plan**
- **Meet overall funding needs**
- **Fund local needs sooner**
- **Use immediately available sources now; phase in longer-term new revenue**
- **Goals: long-term sustainable sources & performance**

Long Term Revenue Sources

Highway System Tolling	Emissions Fee
<p>Options: Dynamic, congestion-related variable toll (T2040 approach). Significant highway delay reduction and emissions reduction benefits possible, especially with congestion-related variable toll.</p> <p>Trip costs: Potentially high rates – peak times average \$0.40/mi. on freeways.</p> <p>Major assumption: revenues available for uses beyond specific tolled facilities and general “highway purposes.”</p> <p>Highway tolling focus means diversion onto arterials.</p> <p>Tolling is currently unpopular with the general public; only feasible in the long term (with technology and political acceptance).</p>	<p>Options: Carbon tax; cap and trade.</p> <p>Could have major—or minor—impact on transportation behavior and revenue generation, depending upon how fee system is implemented and who pays.</p> <p>Trip costs analyzed range from \$0.03/mi to \$0.06/mi on all roads.</p> <p>Revenues generated through general carbon fees could have a wide variety of uses beyond transportation.</p> <p>Of the long-term approaches, potential for rapid deployment.</p>
Flat-rate Pay Per Mile Charge	Peak/Off Peak Pay Per Mile Charge
<p>Options: Odometer self reporting; in-car mileage or GPS-based system; in-vehicle transponders.</p> <p>Allows both low- and high-tech implementation options. Impact on travel behavior and emissions reduction reduced with flat rate approach.</p> <p>Trip costs average \$0.05/mi.</p> <p>Flat rates may not influence travel behavior.</p> <p>Low-tech annual reporting option simple, non-invasive, but potential for large annual payment. Higher tech allows for monthly payments based on travel.</p> <p>Design could allow for different rates for user types, exemptions, subsidies, and phasing.</p>	<p>Options: In-car per mile recording GPS-based system.</p> <p>High tech approach required to manage variable rates to best impact travel behavior and emissions reduction.</p> <p>Trip costs average \$0.06/\$0.04 per mi in considered scenarios.</p> <p>Higher tech approach raises privacy issues. GPS-based system allows credits for miles driven outside region or state.</p> <p>Design could allow for different rates for user types, exemptions, subsidies, and phasing.</p> <p>Technology selected could influence implementation and public acceptance.</p>

Short Term Revenue Sources

Transportation Utility Districts	Impact Fees
<p>Most transportation utility district fees are used for local roadway needs.</p> <p>Revenues might also be used to support transit or other transportation modes.</p> <p>Implementation will be challenging due to past legal rulings.</p>	<p>Could be implemented immediately through existing authority.</p> <p>Local jurisdictions hesitant to implement impact fees.</p> <p>Depending on structure, can influence development choices to promote density, tie development to transportation, and influence travel behavior.</p>
Fuel Taxes	Fees and Fares
<p>Possible to dedicate additional revenues to local jurisdictions.</p> <p>Well understood and accepted by public.</p> <p>Established collection and distribution system.</p> <p>Source losing purchasing power due to vehicle efficiency and inflation.</p>	<p>Well understood and accepted by public.</p> <p>Easy to collect and distribute.</p> <p>Recent motor vehicle fee and transit fare increases could make this politically difficult.</p>

Scenarios

1. **Transportation 2040 Plan**
2. **Flat-Rate Pay Per Mile Charge**
3. **Peak/Off Peak Pay Per Mile Charge**
4. **Major Emissions Fee**
5. **Mixed Sources**

Principles & Performance

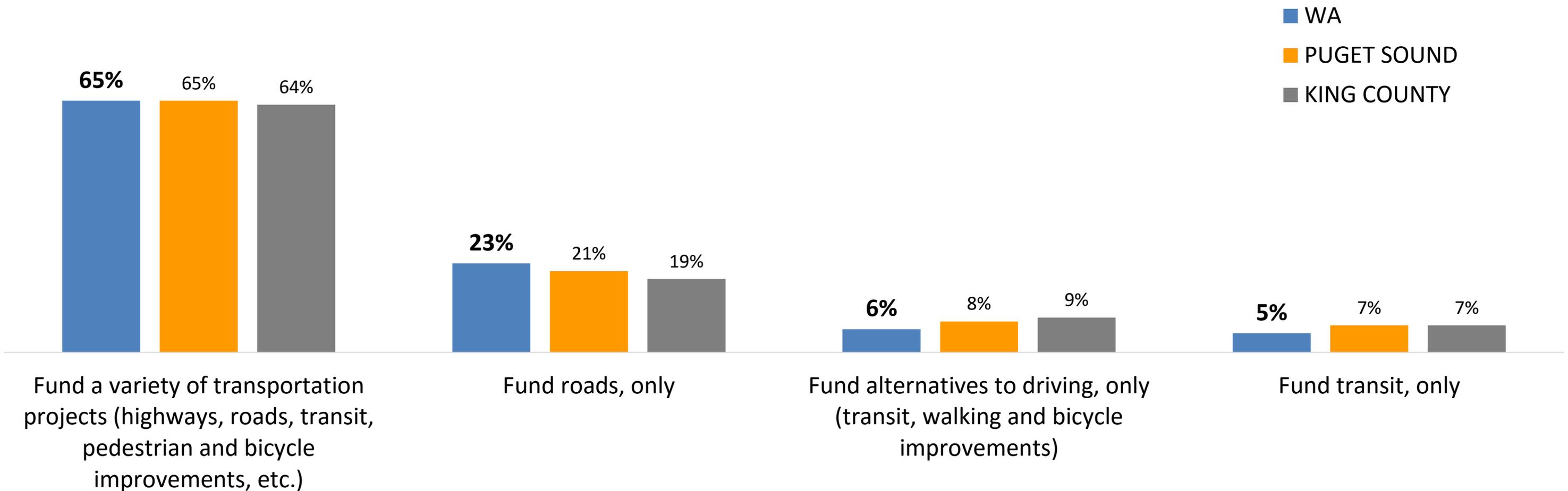
- **Diverse, Stable, Predictable**
- **Support Region's Vision**
- **Equitable**
- **Feasible - acceptable**
- **Vehicle Miles Traveled**
- **Congestion**
- **Cost to Households**
- **Environmental benefits**

Regional Performance

- **All can fill \$36B gap, but with different impacts and costs**
- **Perform similarly at regional level but with differences in specific places**
- **Greatest congestion benefits from those that price peak travel higher than off-peak**

Strong majority prefer new funds be used for a variety of transportation projects

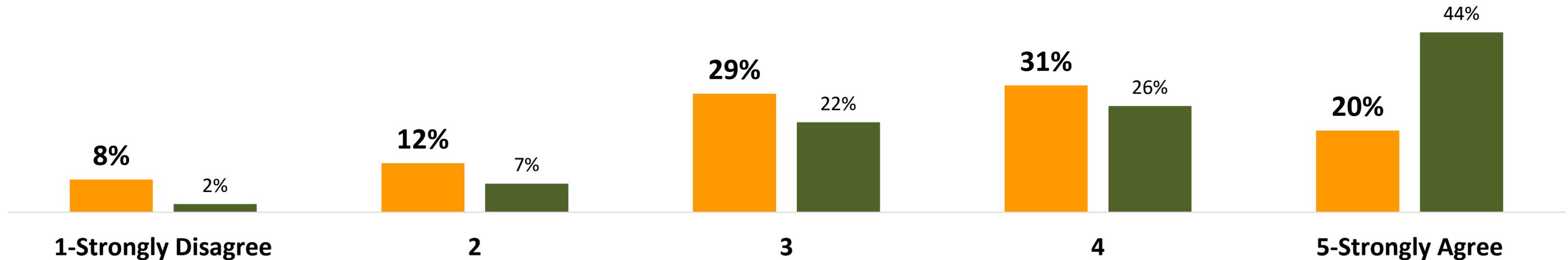
If additional state funds were available for transportation, the new funds should be used to...?



Support for regions raising own revenues

Allowing the Puget Sound region to raise their own revenues to fix their transportation and transit problems is better than taxing the whole state to pay for these improvements.

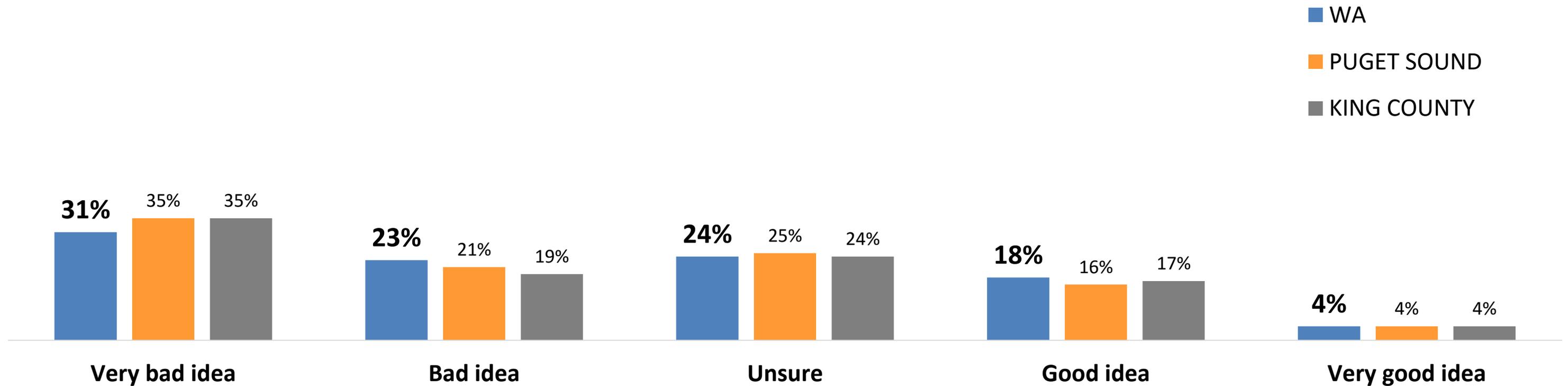
■ PUGET SOUND
■ REST OF WA



54% think system-wide tolling bad or very bad idea

Currently, a few roads and bridges in Washington State have tolling (the Tacoma Narrows Bridge, SR 167, I-405 and SR 520). One way to fund transportation in the future is to charge tolls on all of the lanes of major urban highways (I-5, I-90, I-405, SR 167, SR 520, etc.). This revenue source could replace or complement existing transportation fees and taxes, like the gas tax. Funding transportation through tolls would allow money raised to be used for a wider variety of transportation investments, including transit.

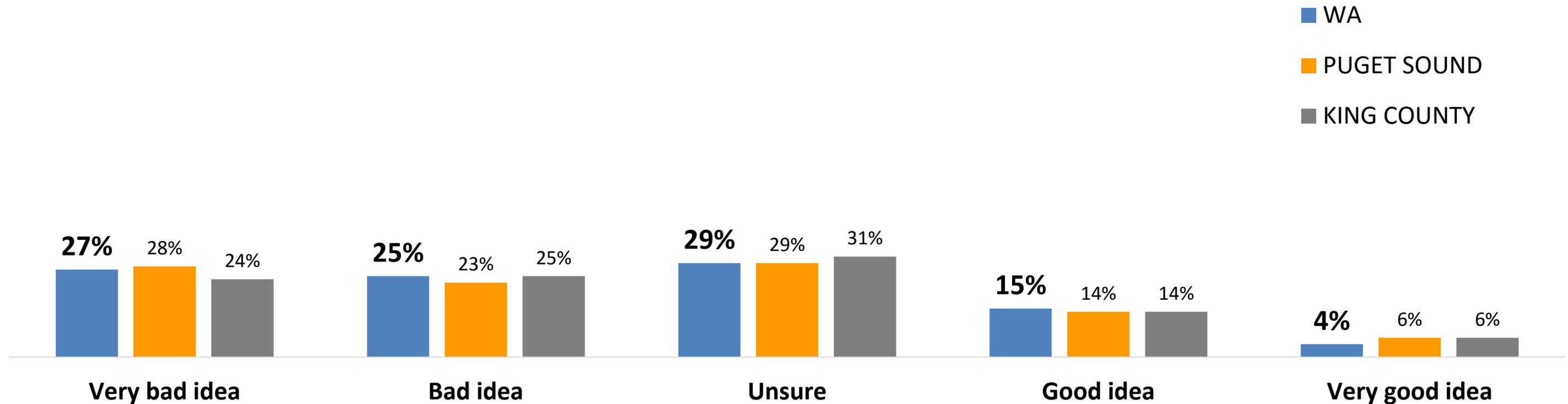
Does this seem like a good or bad idea?

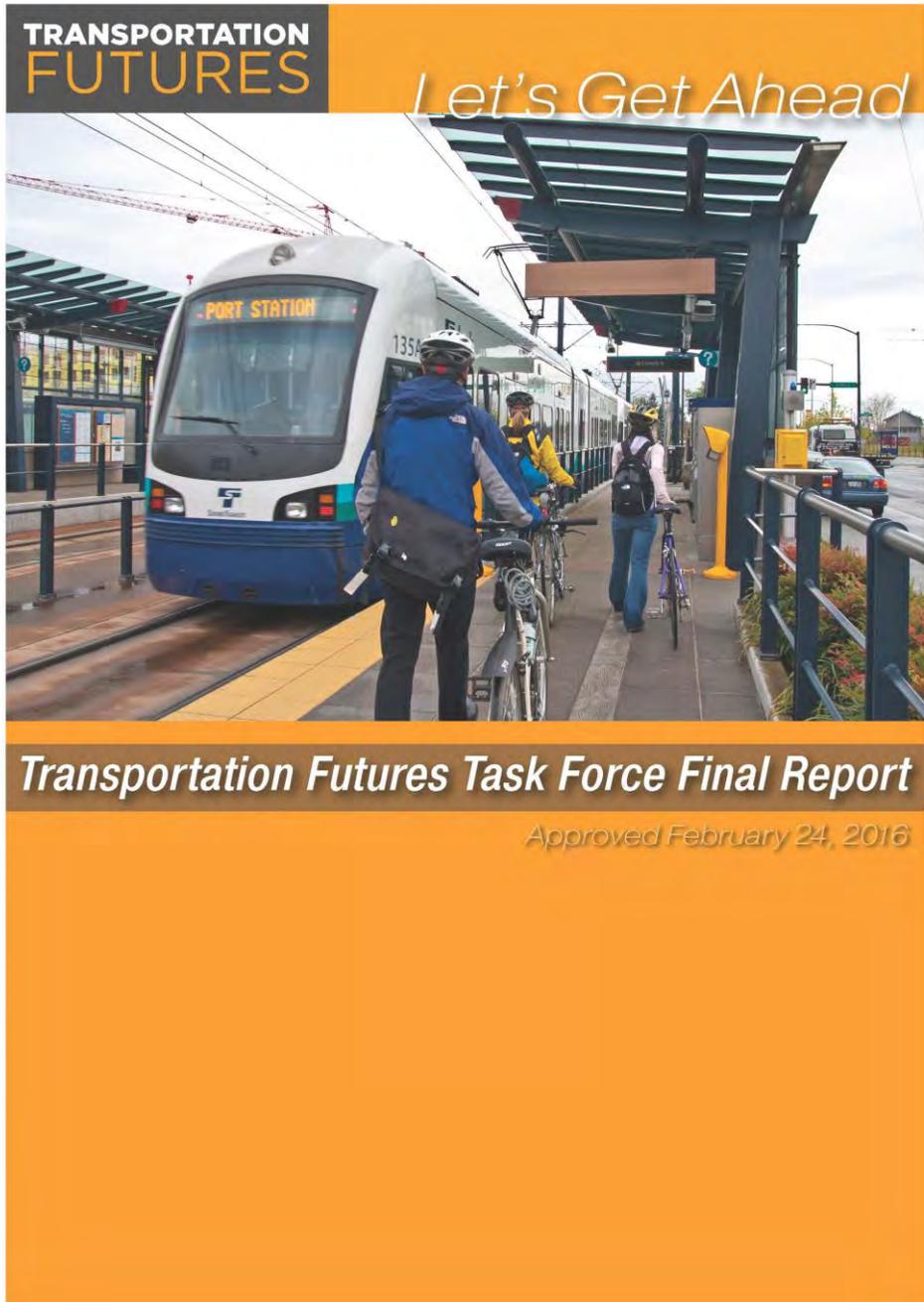


52% think Pay-Per-Mile fees a bad/very bad idea

Another idea for funding transportation is to establish a Pay-Per-Mile fee. This is a fee that would be charged based on the number of miles a person drives and the funds raised could be used for a wider variety of transportation investments, including transit.

Does this seem like a good or bad idea?





Final Report and Recommendations

- **Maximize Use of Existing Authority**
- **Establish Regional Transportation Authority**
- **Achieve Efficiencies**
- **Pay for Use**
- **Flexibility in Expenditures**

www.thefuturestaskforce.org



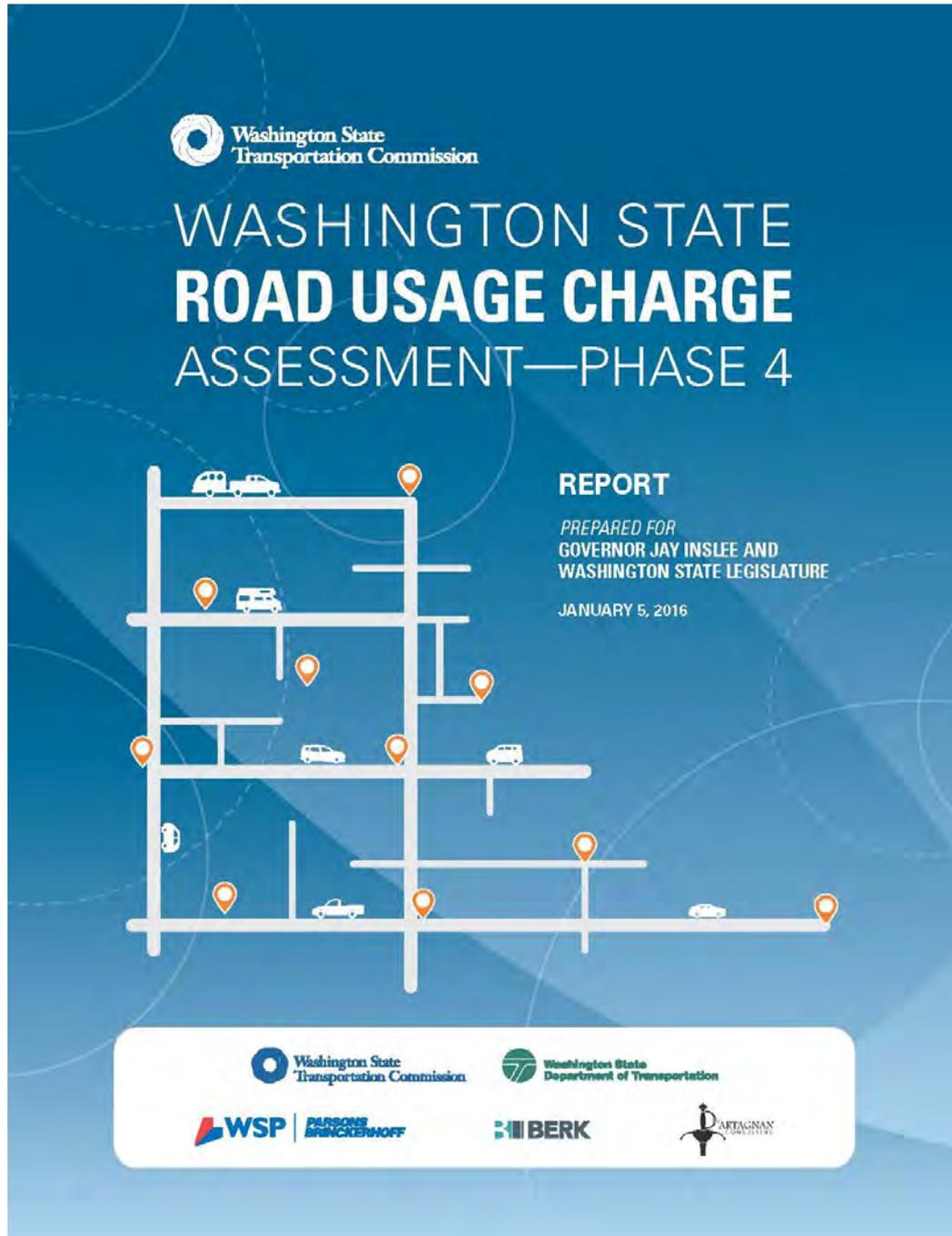
Transportation Futures Task Force Final Report

Approved February 24, 2016

Next Steps

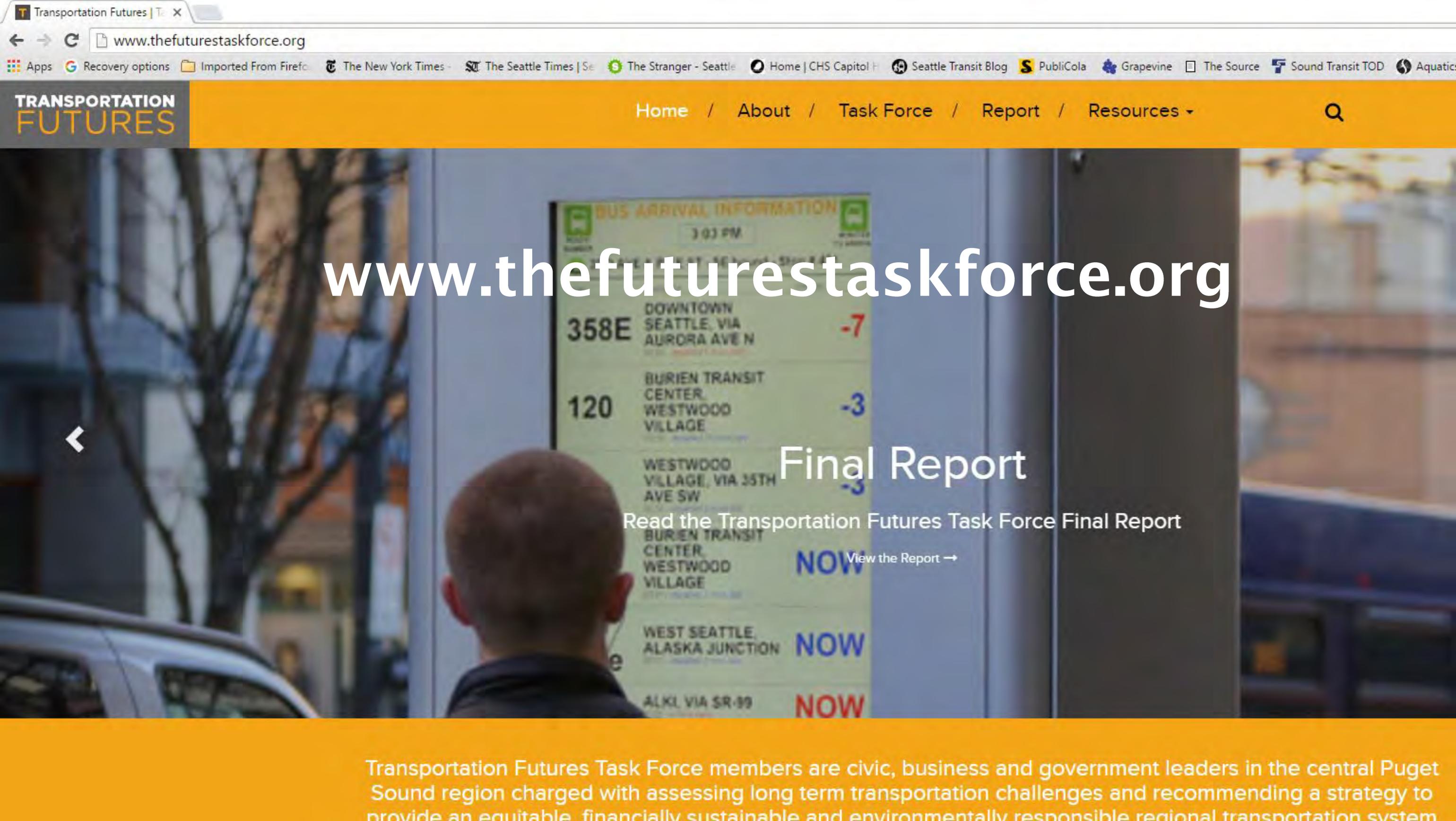
- **Support local/regional initiatives**
- **Educate on sustaining transportation funding long term**
- **Research regional alternatives**
- **Incorporate into regional plan updates**
- **Partner with state on pay-by-mile pilot**

www.thefuturestaskforce.org



Washington State Transportation Commission

Road Usage Charge Assessment: 2012–2016



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Final Report

Read the Transportation Futures Task Force Final Report

[View the Report →](#)

Transportation Futures Task Force members are civic, business and government leaders in the central Puget Sound region charged with assessing long term transportation challenges and recommending a strategy to provide an equitable, financially sustainable and environmentally responsible regional transportation system

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**Thank
you.**

