

COMMISSION DISCUSSION DRAFT: OCTOBER 19, 2010

FUNDING RECOMMENDATIONS

1. Support for the JTC Recommendations

The Transportation Commission endorses the Joint Transportation Committee's (JTC) 2009 funding recommendations

2. Additional Revenue Needed

There is an immediate need for additional revenue to preserve Washington's transportation infrastructure.

Maintain the viability of the fuel tax by indexing to the CPI and choose one of two options to set declines in per capita fuel consumption: (a) increase the tax rate annually or (b) add a transportation assessment fee to the retail price of fuel

- *Indexing to the CPI (Revenue: \$4.4 – \$6.6 billion 2009-25)*
- *Increase 1 cpg annually (Revenue: \$3.4 – \$3.9 billion 2009-25)*
- *Add a transportation assessment fee to the retail price of fuel (Revenue: \$4.1 – \$4.6 billion 2009-25)*

3. Support for Increased User Fees

Consistent with the JTC's recommendations, the Commission supports increased use of user fees, including:

- *Extending tolling*
- *Indexing the fuel tax*
- *Modifying weight fees*

4. Support Increases in Funding Sources with Flexible Uses, including for Multi-Modal Projects

Maintain the viability of fee revenues by legislation that increases licensing and permit fees to 2012 purchasing power by:

Revenue: \$3.8 billion 2009-25

Modify weight fees by eliminating registration deduction on passenger vehicles and adjustments to truck weight fees

Revenue \$3.8 billion 2009-25

Increase the transportation sales and use tax rate from 0.3% to 0.5% on vehicle sales

Revenue \$400 million 2009-25

Add a tire fee for transportation that extends to new vehicles, with an increased fee for studded and larger tires

Revenue \$133 million 2009-25

5. Support Improved Mobility in Congested Urban Areas

Allow the use of toll revenues and/or ferry fares to provide corridor-specific transit service improvements

6. Adopt in lieu of fees for electric and other high mileage vehicles

Revenue: \$1.0 to \$271 million 2009-25

7. Secure capital funding for Washington State Ferries through:

- *Capital surcharge on fares*
- *Directing additional Capron refunds to Ferries capital*
- *Directing additional licensing fee revenue to capital and/or*
- *Rebalancing fuel tax distribution between capital and operations*

Revenue: Capital surcharge: \$200 million 2009 -25

Capron refunds: \$ 50 million 2009-25

Fees/fuel tax to capital: TBD

8. Review Amtrak Cascades Service funding & increase fares and/or add a capital surcharge

Revenue: \$30 million 2009-25

9. Support Funding to Mitigate the Stormwater Impacts of the Transportation System

10. Support the JTC's Local Funding Recommendations

- Authorize cities to create street maintenance utilities
- Allow TBDs to impose license fees up to \$100 by councilmanic vote and provide flexibility in the use of the funds
- Amend authority for counties to impose fuel tax to allow a set rates and to provide councilmanic authority
- Transfer the increased sales tax limit and employer taxes authorized for RTID to transit
- Authorize a local MVET in addition to or in lieu of transit systems' current local option sales tax authority
- Provide transit systems a local option vehicle license fee similar to TBDs