

DRAFT Fiscal Analysis for Initiative 985 Deliberative Process

Proposed I-985 Fiscal Impact Statement

Over five years, approximately \$668.6 million would be redirected from projects and activities supported by state and local general and transportation funds to congestion relief activities. This would include \$239.2 million for opening carpool lanes to general traffic during off-peak hours, \$65.7 million for synchronizing traffic lights, \$18 million for additional emergency relief and \$1.4 million for the State Auditor to monitor performance. The remaining \$343.9 million would be available for other congestion relief activities, including expanding road capacity. Funds would not be allowed for bike paths, landscaping, wildlife crossings, park and ride lots, ferries, trolleys, buses or rail.

General Assumptions

- Estimates are based upon such sources as trends, current appropriation levels and the last legislatively adopted 16-year transportation financial plan.
- The following have been excluded from this analysis:
 - Most federal funds, as they have regulations that govern their use.
 - Revenues dedicated to outstanding bonds, as they are pledged for specific purposes.
 - Tolling authority for the Tacoma Narrows Bridge, as it is in a different chapter of the law than the statutes amended in the initiative.
 - Toll rate increases, which are not considered “new tolls or charges.”
 - Funds appropriated to agencies for distribution as grants, as opposed to direct appropriations for specific projects.

Revenue Assumptions

Estimated Revenues Deposited into the Reduce Traffic Congestion Account Fiscal Year 2009 to 2013				
	Biennium			Total
	2007-09	2009-11	2011-13	
Red Light Traffic Cameras	\$ 13,043,998	\$ 13,383,998	\$ 13,383,998	\$ 39,811,994
Transportation-Related Public Works Projects	0	4,926,093	3,899,999	8,826,092
Sales and Use Taxes on Motor Vehicles	52,536,596	237,965,000	329,456,000	619,957,596
Toll Revenues	0	0	0	0
Total Revenue	\$ 65,580,594	\$ 256,275,091	\$ 346,739,997	\$ 668,595,682

Red Light Cameras Revenue Assumptions

- Presently, no counties and 12 cities have automated traffic safety camera programs.
- Revenues decrease after the first year of use because the number of traffic violations typically decrease following the first year of installation. Estimated revenues assume a 70 percent collection rate.

Transportation-Related Public Works Projects Revenue Assumptions

- One-half of 1 percent of state appropriations for "transportation related public works projects" would be deposited into the Reduce Traffic Congestion Account. This requirement affects "... all state agencies, including all state departments, boards, councils, commissions, and quasi-public corporations ..." This pertains to state entities only.

- Transportation-related public works projects would not subject to the one-half of 1 percent allocation for public art.

Sales and Use Tax Revenue Assumptions

- The 2007–09 revenues represent seven months of collections. Future biennia represent 24 months of collections and growth, as forecast by the Economic and Revenue Forecast Council.

Toll Revenue Assumptions

- Toll revenues would be used for “construction, operation and maintenance” of toll facilities.
- Operation of toll facilities includes Washington State Patrol enforcement, tow truck operations, emergency response and routine maintenance.
- Tolls may be collected prior to the construction of a toll facility as long as the revenue is for the anticipated expenses identified in a capital or financial plan.
- All projected toll revenues would be planned to be used for operations, maintenance and construction of toll facilities, so there would be no excess revenue assumed to be available for deposit to the Reduce Traffic Congestion Account.

Assumptions on Costs to Implement I-985

Estimated Expenditures from the Reduce Traffic Congestion Account				
Fiscal Year 2009 to 2013				
	Biennium			
	2007-09	2009-11	2011-13	Total
Traffic Light Synchronization	\$ 20,935,000	\$ 20,935,000	\$ 23,870,000	\$ 65,740,000
Red Light Traffic Cameras	14,640	0	0	14,640
Carpool Lanes	3,200,000	36,000,000	200,000,000	239,200,000
Sales and Use Taxes on Motor Vehicles	27,000	0	0	27,000
Washington State Auditor	200,000	600,000	600,000	1,400,000
Department of Transportation Audit Support	50,000	100,000	100,000	250,000
Emergency Roadside Response	5,636,500	6,190,800	6,190,900	18,018,200
Total Expenditure	\$ 30,063,140	\$ 63,825,800	\$ 230,760,900	\$ 324,649,840

Traffic Light Synchronization -- Cost to Implement Assumptions

- One-half of the signals would be synchronized in 2009 and one-half in 2010.
- Synchronization would need to be recalibrated every 2 ½ to 3 years.
- The estimated number of signalized intersections in cities is 3,734. At an average cost of \$5,000 per intersection, the total cost to synchronize all intersections for cities would be \$18.7 million, with an additional cost of \$18.7 million for recalibration.
- Approximately 362 signalized intersections are on heavily traveled arterials and streets in King, Pierce, Snohomish and Clark counties. At an average cost of \$5,000 per intersection, the total cost to synchronize all intersections for these counties would be \$1.8 million, with an additional cost of \$1.8 million for recalibration.
- Approximately 405 signalized intersections are on heavily traveled arterials and streets on state-owned highways. At an average cost of \$8,500 per intersection, the total cost to synchronize all intersections on state highways would be \$3.4 million, with an additional cost of \$3.4 million for recalibration. The Washington State Department of Transportation estimates an additional cost of up to \$18 million for the state-owned highways only.
- Costs to take full advantage of real-time synchronization, such as staffing of traffic operations centers and traffic cameras, are not included.

Carpool Lanes -- Cost to Implement Assumptions

Opening carpool lanes to general purpose traffic during off-peak hours requires:

- Installation or modification of variable speed limit and lane use control systems for 50 miles of HOV lanes at approximately \$4 million per mile, for a total of \$200 million over five years.

- Installation of access ramp gates and electronic signing at eight locations, estimated at about \$2 million per location, for a total of \$16 million over five years.
- Installation of additional ramp meters, at a cost of \$6 million over five years.
- Replacement of 700 HOV signs to comply with requirements, at a cost of \$2.2 million.
- Implementation would be staged over the five years, in part due to the need to obtain federal approval to make changes to HOV lanes.
- King County Metro estimates that opening carpool lanes to general purpose traffic would reduce efficiency of transit vehicles by about 10 percent. King County's cost is estimated to be approximately \$15 million over five years, due primarily to additional fuel and labor costs. Impact to other transit districts has not been assessed, but is assumed to be the equivalent of the King County impact.

State Auditor -- Cost to Implement Assumptions

- The State Auditor's Office would incur a one-time cost of \$100,000 to \$200,000 to develop the benchmarks and best practices required, and annual monitoring and reporting costs of \$200,000 to \$300,000.
- The Department of Transportation would incur costs to support the State Auditor's work, at a cost of \$50,000 per year.

Emergency Roadside Assistance -- Cost to Implement Assumptions

- Although I-985 requires additional funds to be spent on emergency roadside assistance, it does not specify how much of an increase is expected. For the purpose of this analysis, additional funds are assumed to be provided to the Washington State Department of Transportation and the Washington State Patrol.
- The Washington State Department of Transportation estimates include an additional 10 emergency roadside assistance vehicles and 10 full-time equivalent employees (FTEs) to respond to 17,978 incidents per biennium.
- The Washington State Patrol estimates include 13 more troopers in the central Puget Sound Region; three more FTEs to improve accident investigations, enforcement, education and coordination with other jurisdictions; and additional equipment for troopers and investigation staff.

Assumptions related to fund shifts and revenue losses

- Estimated revenue loss to cities from red light traffic camera infractions would be \$40 million over five years.
- Not charging tolls during off-peak hours on SR-167 HOT lanes would result in a 33 percent loss of funds, or a total loss of \$3.1 million over five years.
- Washington state transit agencies are estimated to lose about \$20 million over five years in federal transit funds due to the opening of carpool lanes to general traffic during non-peak periods.
- The Washington State Arts Commission would lose \$500,000 over five years.
- The state general fund would be reduced by \$620 million over five years. The general fund is used for education, public safety, social services and general government.