

How Public Officials Spend Our Transportation Taxes

Distribution of Road and Transit taxes collected in the Central Puget Sound Region

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Introduction

Have you ever wondered how much of your transportation tax money pays for that Metro bus you always see on the road? Or how much of it funds light rail as opposed to roads and bridges? New research by transportation expert James W. MacIsaac, P.E.¹ shows that if you live in the Puget Sound region, you might be surprised just how officials spend your hard earned money.

As lawmakers prepare to expand tolling and make it easier for transit agencies to raise their own taxes, it is important to understand how current revenues are distributed.

The chart on page two compares road and transit taxes collected from the state, county transit districts and Sound Transit, in the central Puget Sound region (Snohomish, King and Pierce Counties) between 1991 and projected through 2015.

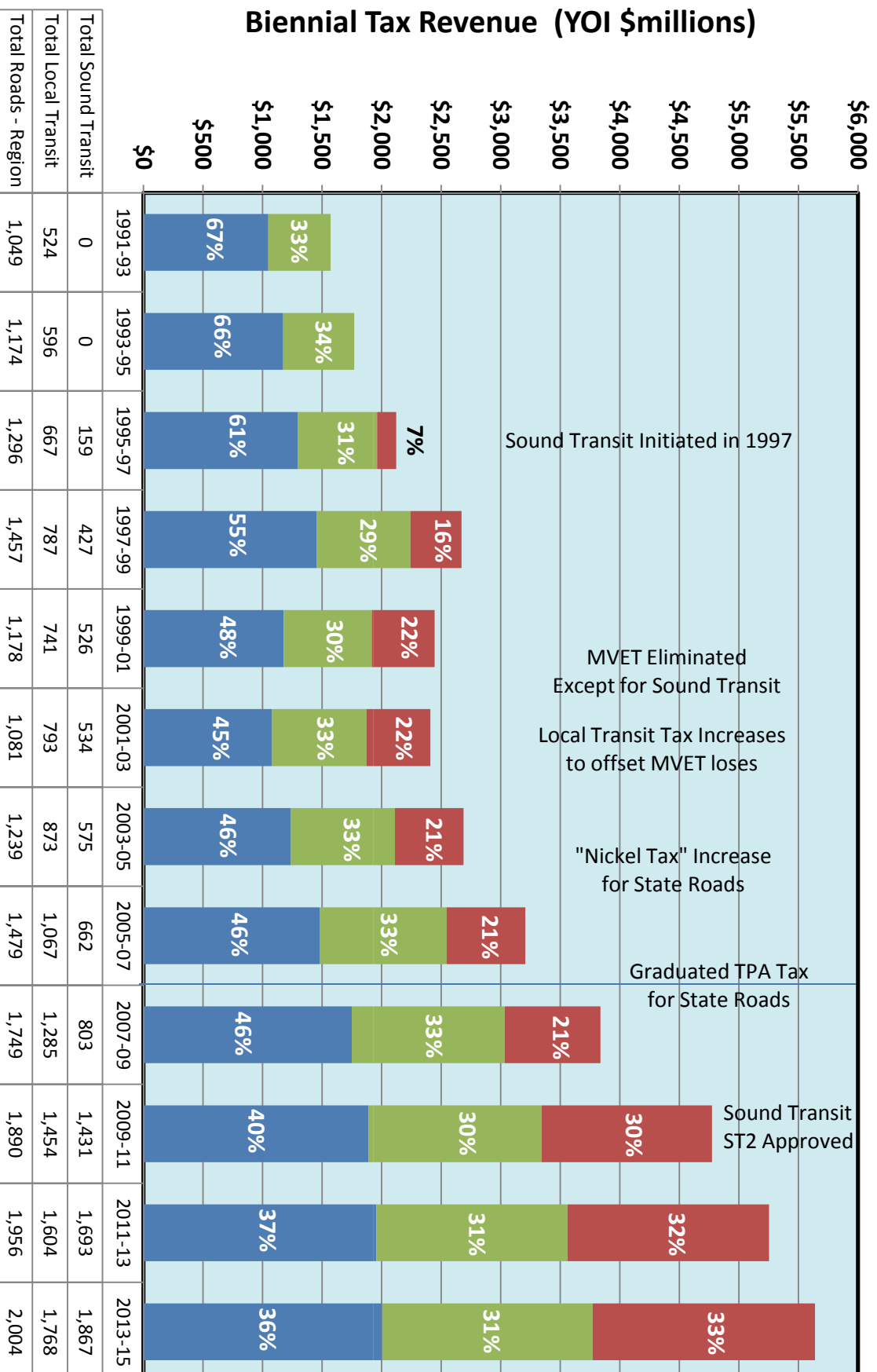
Key Observations

- Over the last twenty years, total transportation spending has risen from \$1.57 billion every two years to \$4.78 billion. That is nearly a 200 percent increase in transportation taxes and fees collected in the central Puget Sound region.
- Regional road funding has risen 80 percent since 1991 while regional public transit funding has risen more than 450 percent over the same time period.
- Public transit's share of the 14 million daily person trips made in this region is now less than 3 percent while transit collects 60 percent of all transportation tax revenues.
- Road funding is only 40 percent of all transportation taxes collected in the region, but serves more than 97 percent of all person trips.
- Sound Transit now collects half of the transportation funding that goes to public transit in the region and is projected to collect more tax revenue than all of the local transit agencies combined within two years.
- Sound Transit is on pace to collect almost \$30 billion in total tax collections by 2030, yet only projects to carry 2.5 percent of all trips made in the Puget Sound region by 2030.

More details are shown in the following charts.

¹ Jim MacIsaac: Bachelor of Science in Civil Engineering, 1964; Master of Science in Civil Engineering, 1965. Five years with the first ever 4-county Puget Sound Regional Transportation Study (PSRTS) and a senior transportation engineer with the Puget Sound Governmental Conference after its merger with the PSRC. Six years as Senior Transportation Engineer with two international transportation specialty consulting firms. Twenty years as founder and Principal Engineer of The Transpo Group, a local transportation planning and traffic engineering firm in the Pacific Northwest. Ten years as an independent consulting transportation engineer.

Transportation Tax Revenue - Puget Sound Region



Transportation Tax Revenues 3-County Puget Sound Region (YOI \$millions)

Biennium	1991-	1993-	1995-	1997-	1999-	2001-	2003-	2005-	2007-	2009-	2011-	2013-	Totals 1991- 2015
	93	95	97	99	01	03	05	07	09	11	13	15	
Regional Road Revenues													
23 cents Fuel Tax	626	652	677	722	734	742	765	770	836	882	913	933	9,254
Nickel & TPA	--	--	--	--	--	--	156	291	444	528	551	561	2,530
Permits & Fees	210	224	238	241	291	309	319	418	469	479	492	510	4,200
MVET to Roads	212	298	380	494	153	31	--	--	--	--	--	--	1,568
Total Roads - Region	1,049	1,174	1,296	1,457	1,178	1,081	1,239	1,479	1,749	1,890	1,956	2,004	17,552
Sound Transit Tax Revenues													
Sound Move	--	--	159	427	526	534	575	662	710	737	825	915	6,071
ST2	--	--	--	--	--	--	--	--	93	694	868	952	2,607
Total Sound Transit	0	0	159	427	526	534	575	662	803	1,431	1,693	1,867	8,678
Metro Transit Local Tax Revenues													
Sales & MVET Tax	392	448	503	593	592	594	619	747	926	1,044	1,162	1,297	8,916
Snohomish Community Transit													
Sales & MVET Tax	58	66	74	88	83	103	116	142	160	193	206	213	1,502
Pierce Transit													
Sales & MVET Tax	64	72	79	92	52	82	124	148	164	181	200	220	1,478
Everett Transit													
Sales & MVET Tax	9	10	11	14	14	14	14	31	35	37	37	38	264
Total Local Transit	524	596	667	787	741	793	873	1,067	1,285	1,454	1,604	1,768	12,160

The source of state roads revenues from 1997-2015 is the 2007 Key Facts, Washington State Department of Transportation, Major Sources of Tax Revenue chart, pg. 42, December 2007, at www.wsdot.wa.gov/publications/manuals/fulltext/M0000/KeyFacts.pdf. County-by-County Comparison, Return per Dollar Contributed by Citizens within Each County State & Federal Transportation Funds, A Fourteen-Year Look, 2004-2017, Washington State Department of Transportation, February 2009, at www.wsdot.wa.gov/NR/rdonlyres/01173667-1743-4C3C-A127-9BC5695CB630/0/CountyByCountyFuelTaxComparison.pdf. According to this study, 51% of the statewide road revenues come back to King, Pierce and Snohomish Counties. The regional distribution of state road tax revenues depicted in the chart applies this estimate.

The source for Sound Transit tax revenues for 1997 thru 2015 is the 2009 Draft Financial Plan Excel Model, Worksheet "Annual Revenues," Sound Transit. Complete model can be obtained from Sound Transit through a public records request.

The source for county transit tax revenues is the Washington State Summary of Public Transportation 2007, Washington State Department of Transportation, November 2008, at www.wsdot.wa.gov/publications/manuals/fulltext/m0000/TransitSummary/2007PTSummary.pdf. Data for 2013-2015 are estimates based on current trends. Estimates prior to 2006 came from previous annual summaries.