

HOUSE BILL REPORT

HB 3132

As Reported By House Committee On:

Transportation Policy & Budget

Title: An act relating to transportation funding and appropriations.

Brief Description: Enacting a transportation supplemental budget.

Sponsors: Representatives K. Schmidt, Mitchell, Chandler, Cairnes, Backlund, Zellinsky, Radcliff, Sterk, Robertson, Hankins, Buck, Lambert, Schoesler and Skinner.

Brief History:

Committee Activity:

Transportation Policy & Budget: 3/2/98, 3/3/98 [DPS].

HOUSE COMMITTEE ON TRANSPORTATION POLICY & BUDGET

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 16 members: Representatives K. Schmidt, Chairman; Hankins, Vice Chairman; Mielke, Vice Chairman; Mitchell, Vice Chairman; Backlund; Buck; Cairnes; Chandler; DeBolt; Johnson; McCune; Radcliff; Robertson; Skinner; Sterk and Zellinsky.

Minority Report: Without recommendation. Signed by 11 members: Representatives Fisher, Ranking Minority Member; Cooper, Assistant Ranking Minority Member; Constantine; Gardner; Hatfield; Murray; O'Brien; Ogden; Romero; Scott and Wood.

Staff: Brad Lovaas (786-7307).

Background: The transportation budget provides appropriations to the major transportation agencies«the Department of Transportation (DOT), the Washington State Patrol (WSP), the Department of Licensing (DOL), the Transportation Improvement Board (TIB), and the County Road Administration Board (CRAB). It also provides appropriations to many smaller transportation agencies and appropriates transportation funds and accounts to general government agencies.

Two-thirds of the moneys appropriated in the transportation budget are for capital programs, and one-third is for operating programs.

The motor vehicle fund is the primary funding source of transportation programs, providing for 43 percent, or \$1.3 billion, of transportation appropriations in the 1997-99 transportation budget.

The 1995-97 transportation budget totaled \$3.3 billion. The 1997-99 transportation budget totals \$2.896 billion.

Summary of Substitute Bill: Supplemental appropriations are made to transportation agencies for the 1997-99 biennium. The total 1997-99 supplemental budget is \$133.9 million, which brings the revised biennial transportation appropriation to \$3.030 billion.

DOT Current Law and New Revenue Recommendations

- \$74 million of highway construction projects are funded with current law revenue.
 - A \$50 million list of statewide freight mobility, economic development, and partnership projects (excluding federal demonstration match) is funded. The revised total project cost is \$40 million, including \$25 million this biennium. Funds vetoed by the Governor last session are used.
 - \$35 million of federal dollars and general fund transfer is provided for mobility projects, including \$13 million for emergent economic development projects, \$2 million for corridor studies, and \$20 million for preliminary engineering and right-of-way.
 - \$14 million is provided for Special Category "C" projects (SR 18 construction and SR 395 preconstruction); passage of a \$60 million bond bill is assumed.
- \$2 million is transferred to the advanced environmental mitigation revolving account to purchase and develop sites to meet environmental requirements on future construction projects.
- \$12 million is appropriated for the Year 2000 conversion effort.
- 13 of the 19 items related to the marine operating program are funded. Combinations of three types of items are considered: (1) one-year funding pending audits; (2) items not approved in 1997 because of audits; and (3) new items. \$0.9 million in savings is taken from lower fuel costs and late delivery of the new Jumbo ferry.
- \$3.5 million is provided for ferry terminal preservation projects.
- \$3 million is provided for preconstruction activities related to construction of four passenger-only ferries and associated docking facilities.

- \$2.7 million is provided for the Commercial Vehicle Information Systems and Networks (CVISN) program transferred from WSP to DOT.
- \$2.5 million is provided for the commute trip reduction program from the high capacity transportation account.
- \$4 million is provided from the high capacity transportation account for facility improvements to match the federal commitment to improve passenger rail service between Seattle and Vancouver, B.C.
- Funding is reappropriated for highway, ferry and aviation programs.
- The DOT is required to conduct a program evaluation of the Public/Private Initiatives (PPI) program (\$100,000) within current appropriation authority.
- \$0.5 million is provided for fish passage barrier removal.
- \$1 million is provided for enhanced maintenance (noxious weeds).
- \$0.5 million is provided for the rural mobility program.
- The following DOT items are contingent on new revenue (\$14.3 million):
 - \$0.5 million for freight rail branch line rehabilitation;
 - \$10 million for passenger rail infrastructure and facilities;
 - \$0.4 million for SR 2 safety improvements;
 - \$0.4 million for Port of Benton study;
 - \$2.0 million of additional funding for SR 90, Evergreen Interchange;
 - \$0.8 million for Spokane Street median barrier (Seattle); and
 - \$0.2 million for railroad crossing in Steilacoom.
- **The total request is for \$136.1 million in transportation funds, including \$14.3 million contingent on the passage of the referendum.**

WSP Current Law Recommendations

- \$302,000 is provided for Medicare coverage for commissioned officers hired prior to 1986 if the majority of the officers vote for the coverage.
- \$1,580,000 is provided for transportation's share of the WSP data center shortfall and transition costs to the Department of Information Services data center.
- \$289,000 is provided for vehicle license fraud enforcement.

- \$350,000 is provided for the Vancouver commercial vehicle enforcement inspection building.
- \$461,000 funds the WSP portion of the fuel tax enforcement program.
- \$26,000 is provided for fiscal year 1999 vehicle inspection number (VIN) lane costs.
- \$1 million in reversions and savings is realized.
- General fund activities transferred to the transportation fund in 1993-95 are returned to the general fund. The general fund is to assume a portion of the Technical Services and Communications Division of the WSP.
- The general fund is assuming \$10.1 million in general fund activities.
- **The total supplemental budget is \$2 million in transportation funds, excluding the general fund transfer.**

DOL Current Law Recommendation

- \$339,000 is provided for the Year 2000 conversion effort.
- \$2.8 million is provided to replace the Wang Imaging System instead of spending \$1.2 million to bring an obsolete system into Year 2000 compliance.
- \$2.6 million is provided to implement the recommendations of the Business and Technology Assessment Project (BTAP).
- \$331,000 and 2.2 full time equivalents (FTEs) are provided for additional staffing in Vancouver and Yakima.
- \$2.4 million is provided to implement proposed legislation, including \$1.5 million to implement proposed driving under the influence (DUI) legislation.
- \$4.4 million in reversions and savings is realized.
- **The total supplemental budget is \$4.7 million in transportation funds.**

General Government Agencies

- \$10,000 is provided for the Department of Agriculture to conduct laboratory analysis of diesel fuel samples to detect illegally-blended diesel fuel.

- The Office of Financial Management and the Department of Community, Trade, and Economic Development are transferred to the general fund.

Legislative Transportation Committee

- \$1 million is provided for the creation of a special panel to conduct an analysis of existing transportation funding mechanisms and to propose solutions for long-term financing of transportation.
- \$150,000 is provided for a performance and management audit of selected public transportation systems to determine their effectiveness and efficiency.
- **The total supplemental budget is \$1.2 million in transportation funds.**

Substitute Bill Compared to Original Bill: The original bill was a title only.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: This is a responsible budget. The budget funds items critically needed by agencies. The transit study funded in the budget is already being accomplished by transit agencies.

Testimony Against: None.

Testified: Craig Olson, Association of Washington Cities; Evelyn Yenson, DOL (pro w/concerns); Chief Annette Sandberg, WSP (pro w/concerns); Dan Snow, Washington State Transit Association (pro w/concerns); and Sid Morrison, DOT.