

Review of Transportation Funding Approaches by Other States

State of Wyoming

Goal: Establish an adequate maintenance and reconstruction construction budget with limited expansion potential.

Funding Gap: \$100 million (2012).

Main Sources of Transportation Funding (2012): \$0.14 per gallon gasoline tax and up to \$50 million from the general fund annually.

Approach:

- ▶ Legislative leadership negotiated initial sign-off from Wyoming's governor on a revenue increase measure.
- ▶ A business and local government coalition developed a public education campaign and coordinated with legislative leadership during the progression of revenue legislation.

Enacted: A \$0.10 increase in the state gasoline tax to a total of \$0.24 per gallon gasoline tax.

Outcome (2016):

- ▶ Local recession has cut general fund and other non-gasoline tax funding.
- ▶ Wyoming DOT is facing a \$64 million funding shortfall, so one-third of the initial goal has been achieved.

State of Washington

Goals:

- ▶ Reconstruct aging infrastructure (safety concerns due to seismic stresses).
- ▶ Expand intermodal shipping facilities to alleviate growing commercial bottlenecks at port facilities.
- ▶ Expand commuter systems and provide multiple commuting opportunities to alleviate increasing traffic congestion.

Funding Goals: Initially unknown. An early "maintenance only" proposal was estimated at \$2 billion but was rejected.

Main Sources of Funding:

- ▶ Gasoline tax — \$0.35 per gallon in 2012 reserved for roads and bridges.
- ▶ A variety of vehicle weight fees, general fund revenues and bonds.

Approach:

- ▶ Washington's governor initiated a public communication effort in 2013 regarding transportation needs, including staff positions to coordinate with business and local governments.
- ▶ A coalition of business leaders, the Washington Roundtable, was formed and it contracted with Boston Consulting on an economic benefits/costs study on transportation infrastructure.
- ▶ The Boston Consulting study estimated that a \$7 billion investment would result in \$42 billion in economic growth within the state and is widely distributed.

Outcome:

- ▶ At the end of 2015, Washington state enacts a \$16 billion transportation package, with a referendum on a \$54 billion additional light rail proposal to be voted on in 2016.
- ▶ The Washington legislature has had one regular and one special session since enactment of the revenue package, and transportation has not been a subject of debate.