

Increase city transportation resources

HB 2362



Cities are investing more than ever, but need comprehensive transportation tools that provide new resources and funding options.

- 1 Cities own and manage a significant share of our state's transportation system.
- 2 Cities provide nearly 80% of the funding that flows into local transportation systems and have increased spending over the last decade.
- 3 Cities continue to struggle to address the \$1 billion gap that exists in maintenance and preservation costs.

1 City transportation systems accommodate 26% of statewide vehicle travel on over 35,000 lane miles of streets, including 740 bridges. Cities are responsible for multimodal transportation assets that include streets, sidewalks, and bicycle infrastructure; certain aspects of state highways; and the spaces between transportation infrastructure, utilities, and the natural environment.

2 A recent study by the Joint Transportation Committee (JTC) found that cities have stepped up to invest in their local transportation systems by providing about 80% of funding at the local level. City spending has continued to outpace state and federal spending. However, nearly 86% of local spending comes from unrestricted revenue, which must also fund other critical municipal needs such as parks and public safety services.

3 Even with increased city spending, a funding gap of \$1 billion per year remains for maintenance and preservation.

For local transportation networks to thrive, strong cities need:

New local options:

1. Create a new transportation-specific utility tax.
2. Change Transportation Benefit District (TBD) sales tax authority by increasing the rate and extending the sunset date.
3. Allow cities to use the existing local gas tax authority.

Defense of state agencies that support city transportation funding, such as the Transportation Improvement Board and the Freight Mobility Strategic Investment Board.

A new transportation revenue package that increases resource for cities.

More than 25% of daily trips happen on city streets, yet cities receive only 8% of the state transportation budget.

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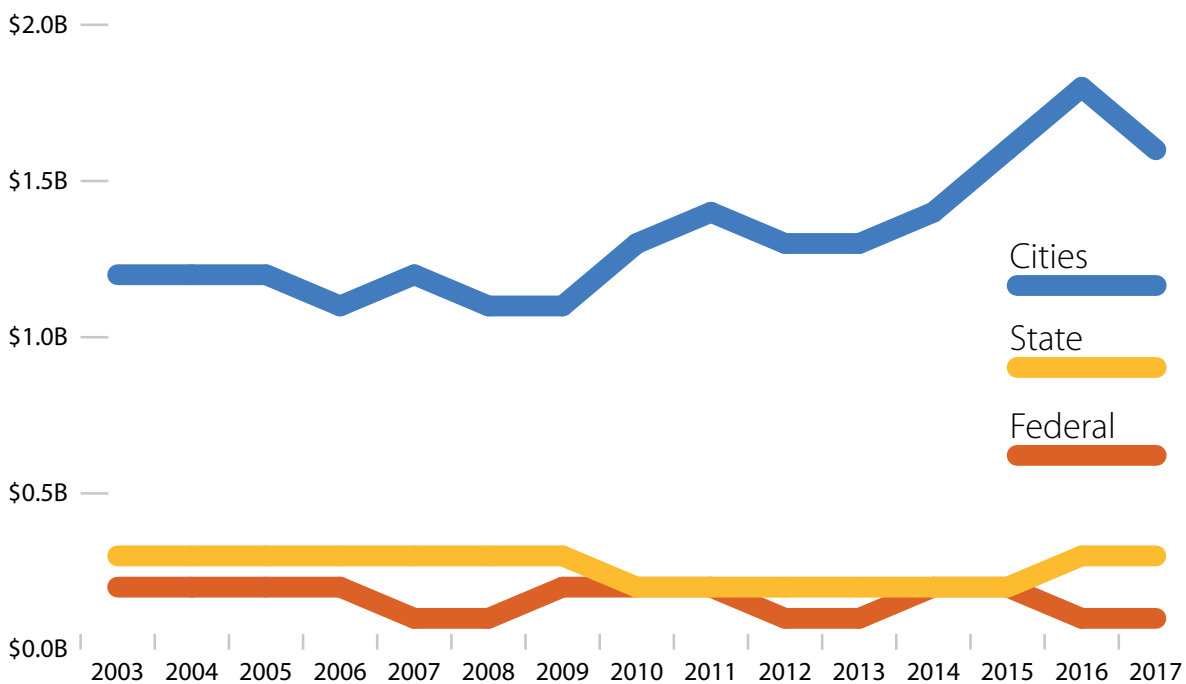
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Additional information

\$1.9 billion in annual city transportation funding comes from a variety of sources:

- Nearly 80% of city transportation funding comes from locally generated revenue. However, 86% of these revenue streams are unrestricted and can be used for any municipal activity.
- 13% of city transportation funding comes from the state. Cities receive about 8% (or \$736 million) of the state's transportation budget. These resources include direct distributions from:
 - The Motor Vehicle Fuel Tax and Multimodal Funds (\$223 million);
 - State competitive programs such as the Transportation Improvement Board (\$330 million); and
 - Local project appropriations (\$183 million).
- Less than 10% of city transportation funding comes from federal sources such as the Highway Safety Improvement Program, Surface Transportation Block Grants, and the Highway Infrastructure Program.

Cities have increased spending on transportation, while state and federal spending has lagged.



Source: JTC Assessment of City Transportation Funding Needs, 2019

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