Initiative 976 (I-976)

- Lowers motor vehicle and light duty truck weight fees to $30
- Eliminates the 0.3 percent sales tax on vehicle purchases
- Lowers electric vehicle and snowmobile fees
- Modifies and reduces Sound Transit motor vehicle excise tax provisions, and
- Removes authority for transportation benefit districts to impose a vehicle fee
Initiative 976 (I-976)

- Approved by voters in November 2019
- Temporary injunction issued and the case is pending further action
- Full impact of I-976 remains unknown
Survey Questions:

• Are any of the local or state matching funds in each identified phase directly or indirectly impacted by I-976?

    If yes:

    • planned approach to addressing these impacts

    • indicate if the PSRC funds are at-risk of not being delivered by the required deadline
Survey of I-976 Impacts on PSRC Funded Projects

Limitations of the survey:

• narrowly focused on potential impacts to the delivery of PSRC’s FHWA and FTA federal funds;

• PSRC funded projects represent a relatively modest share of total transportation expenditures by our member agencies; and

• impacts are varied and there may be greater impacts to other projects and investments outside of PSRC’s funding program
I-976 Survey Results

- 184 projects have PSRC funds programmed in 2020-2024
- 12 projects are potentially impacted by I-976
  - State funding paused
  - Local match funding at-risk due to loss of TBD
I-976 Survey Results

Potential Impacts by Year

- 2020: $269,375,942
- 2021: $207,951,404
- 2022: $231,934,827

PSRC Funds:
- 40,000,000
- 80,000,000
- 120,000,000
- 160,000,000
- 200,000,000
- 240,000,000
- 280,000,000

Legend:
- Not Impacted
- Potentially Impacted
I-976 Survey Results

Potentially Impacted Projects by Improvement Type

- **Multimodal**
  - $16,140,400
  - 36%

- **Transit**
  - $27,600,185
  - 62%

- **Nonmotorized**
  - $490,000
  - 1%

- **Preservation**
  - $645,000
  - 1%
I-976 Survey Results

Potentially Impacted Projects by Phase

- Planning: 1.0% ($490,000)
- Preliminary Engineering: 1.5% ($691,485)
- Right of Way: 0.0% ($0)
- Construction: 65.5% ($30,575,925)
- Other: 32.0% ($14,948,000)
I-976 Survey Results

Potentially Impacted Projects by Fund Type

- FTA
  - $31.3m
  - 69.8%

- FHWA
  - $13.5m
  - 30.2%
I-976 Survey Results

• Planned approaches of projects potentially impacted:
  • Waiting for legal challenge to make its way through the court
  • Pursuing other funding sources
  • Shifting funds from lower priority projects

• Note: “potentially impacted” does not necessarily equate to being at risk of non-delivery
I-976 Survey Results

- 3 of the 12 potentially impacted projects are at-risk of non-delivery
- Equals $4.9m of the $754m of PSRC funds programmed in the current TIP
I-976 Survey Analysis

- Minimal risk of adverse impact on the region’s ability to meet the annual delivery target for Federal Highways funds.
  - 70% of potentially impacted projects have PSRC’s FTA funds which have less strict delivery deadlines;
  - 0.7% of projects were reported as being at-risk of not delivering their PSRC funds by deadline; and,
    - At-risk funds are programmed in outer years of the TIP

- Next Step: continue monitoring the situation and progress of each PSRC funded project to ensure delivery
Thank You.

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