INTERcity TRANSIT

State Priorities 2027

Current Landscape

Washington enters the 2027 legislative session facing structural budget pressures. The Operating and Capital budgets anticipate a shortfall in the amount of funding available for baseline services. Slower revenue growth, limited reserves, and a macroeconomic pressures may lead policymakers to examine both spending and revenue options.

The Transportation budget also projects long-term difficulties between revenue and costs. Fuel-tax receipts are expected to weaken as vehicles become more efficient and electric vehicle adoption increases, while construction, maintenance, and labor costs rise.

Priorities

1. Maintain and build relationships

Intercity Transit (IT) has a history of productive working relationships with legislators throughout its service area to meet the public transportation needs of the communities we serve. Their support is vital to the agency's ability to secure state investment through grants, appropriations, and other funding mechanisms.

During the 2027 session, IT will provide legislators with timely information about emerging local mobility needs, project delivery status, and the dependable transit service IT is known for.

The agency will engage newly elected leaders, so they understand the public transportation priorities in the areas IT serves. Maintaining open lines of communication throughout the session will help the agency respond constructively as budget and policy proposals evolve.

2. Protect current appropriations and contracts

IT is requesting the reappropriation of nearly $11 million in previously awarded funding for projects approaching completion. A complete list can be found on the back of this page.

In addition, agency staff supports maintaining formula-based and competitive public transit funding at prior levels. These programs help transit providers plan responsibly, meet contractual obligations, maintain service, and compete for resources tied to specific community needs.

3. Pursue opportunities for policy improvements

Staff will monitor legislation for practical opportunities to improve the laws and administrative rules governing IT programs. Changes may clarify agency authority, expand capacity, and increase operational flexibility while preserving accountability and transparency.

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Intercity Transit:

- ***Formed in 1981 serving Olympia, Lacey, Tumwater and Yelm***
- ***Provides nearly 5 million fixed route rides per year***
- ***Stewards of $195.4 million budget***
- ***Maintains a fleet of 138 buses (84 coaches and 54 Dial-A-Lift vans); 197 Vanpool vehicles***
- ***Maintains 961 bus stops, 278 bus shelters, 2 transit centers and several P&R lots***

Services include:

- ***Fixed route bus service***
- ***Paratransit***
- ***Vanpool and carpool services***
- ***Youth education and active transportation programs***
- ***Employment transition transportation***
- ***Van rental service***
- ***Travel training and Bus Buddies assistance programs***

Project	Grant Amount Remaining*
East Martin Way Gateway Station Roundabout Project	**$452,371.00**
Intercity Transit Rear Door Boarding and Real-Time Passenger Information Deployments	**$401,635.00**
Intercity Transit Zero Emission H2 Demonstration Project	**$6,546,880.00**
Intercity Transit Green Hydrogen Fuel Cell Electric Bus (FCEB) Demonstration Project	**$2,172,961.00**
2023–2025 Intercity Transit Replacement Vanpools	**$833,000.00**
Bus Rapid Transit (BRT) Project Development and Station Construction	**$479,238.00**
Total:	**$10,886,085.00**

**Approximate amounts remaining as of Oct. 2026 - projects are concluding and amounts will change before the end of the legislative session.*