



Legislative Initiatives in Transportation Infrastructure Funding and Financing

WEBINAR SERIES: INNOVATION IN PRACTICE | WEBINAR 9

June 13, 2018

Webinar Logistics



PowerPoint Presentation available on BATIC Website

http://www.financingtransportation.org/capacity_building/event_details/webinar_2018_legislative_initiatives.aspx



Submit questions in Q&A box



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Webinar Overview

**Overview of
Recent Legislative
Activity**

State Highlights

- South Carolina
- Utah
- Oregon

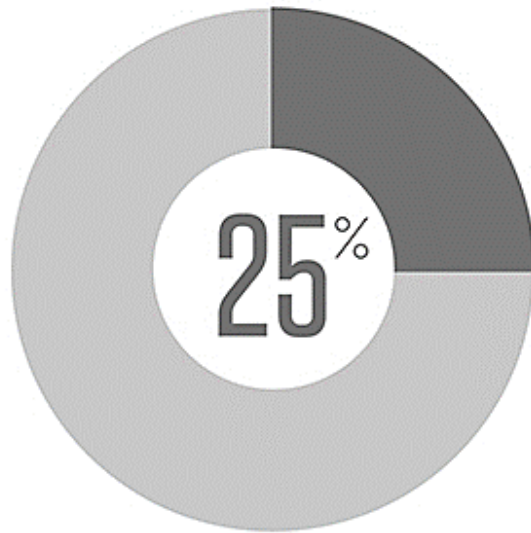
**Questions Submitted
by Webinar
Participants**

Overview of Recent Legislative Activity

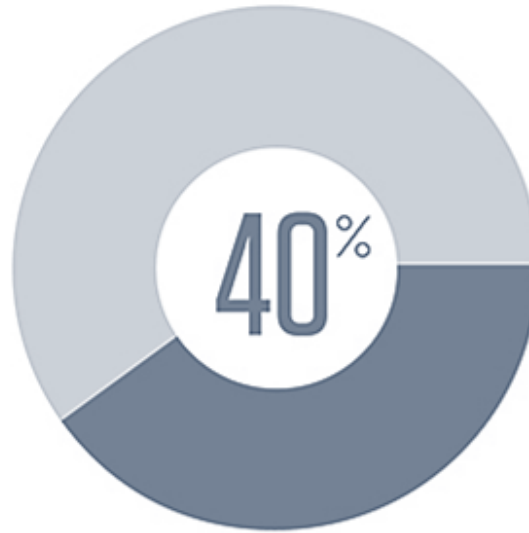
Kevin Pula
Senior Policy Specialist
National Conference of State Legislatures

State vs. Local vs. Federal

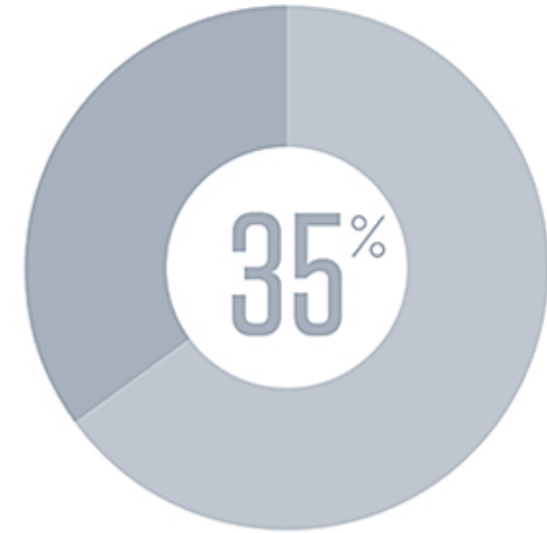
All Levels of Government Fund Highways and Transit Average annual own-source spending by level of government, 2008-12



Federal
\$54 billion



State
\$84 billion



Local
\$75 billion

Source: Pew's analysis of U.S. Census Bureau's Annual Survey of State and Local Government Finances, 2008-12; U.S. Office of Management and Budget, Public Budget Database

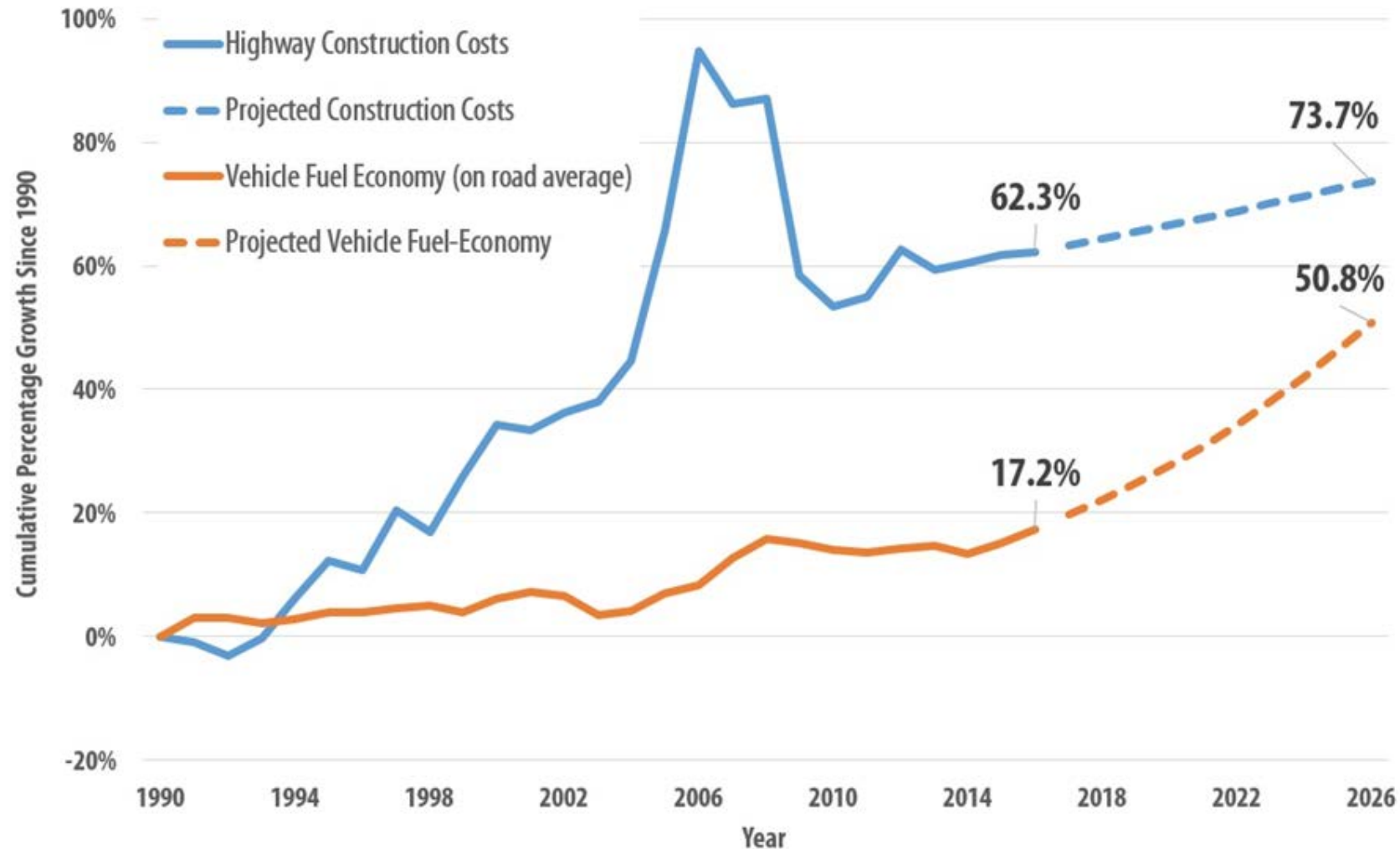
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- Transportation Governance and Finance: A 50-State Review of State Legislatures and Departments of Transportation
- Found **50+** funding mechanisms for transportation

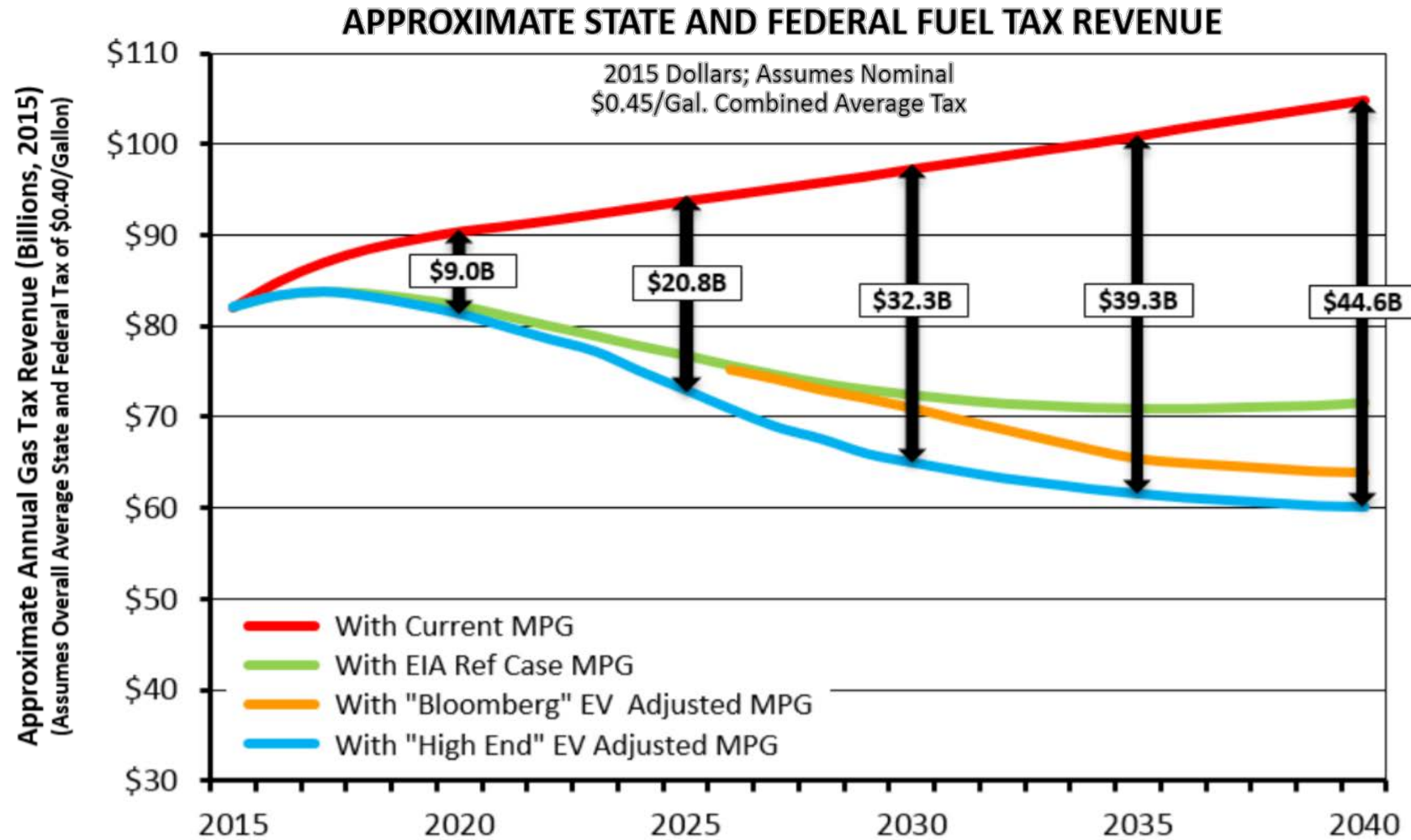
Table 23. Revenue Sources Currently Used by States for Roads and Bridges

State	Revenue Sources							Other
	Fuel Taxes	Passenger Vehicle Fees	Truck Registration Fees	Tolls	General Sales Taxes	General Funds	Interest Income	
Alabama	F	R	•					Alternative fuel vehicle fees Oversize/overweight truck permit fees Outdoor advertising revenues
Alaska*	F	R, T		•		•	•	Taxes on alternative fuels Industrial use highway permit fees Sales taxes on rental vehicles Property leases or sales Legislative appropriations (budget reserve fund)
Arizona	F	R, T	•			•	•	Oversize/overweight truck permit fees Other truck permit fees Vehicle license taxes Sales taxes on rental vehicles Driver's license fees
Arkansas	F	R, T	•		•	•	•	Taxes on alternative fuels Oversize/overweight truck permit fees Other truck- and commercial driver-related fees Severance taxes on natural gas Rail regulation fees Pine timber sales Rainy Day Fund (one-time transfer in 2016)
California	F, V		•	•			•	Taxes on alternative fuels Cap-and-Trade Program revenues Property leases or sales
Colorado	F	R	•			•	•	Taxes on alternative fuels Special fees on electric vehicles Fees on rental vehicles Oversize/overweight truck permit surcharges Congestion pricing/high-occupancy toll (HOT) lanes Outdoor advertising revenues Property sales
Connecticut	F, V	R, T	•		•		•	Sales taxes on motor vehicle sales Property leases and sales Pilot license fees (watercraft) Misc. DMV and DOT fees and fines
Delaware	F	R, T	•	See note			•	Oversize/overweight truck permit fees Property leases and sales
Florida	F, V	R, T	•	•			•	Oversize/overweight truck permit fees Surcharge on rental vehicles Congestion pricing/high-occupancy toll (HOT) lanes Documentary stamp revenues
Georgia	V			See note		•	•	Taxes on alternative fuels Special fees on heavy vehicles Oversize truck permit fees

Trends in Construction Cost Growth and Vehicle Fuel Economy Since 1990



Future Gap in MFT Collections

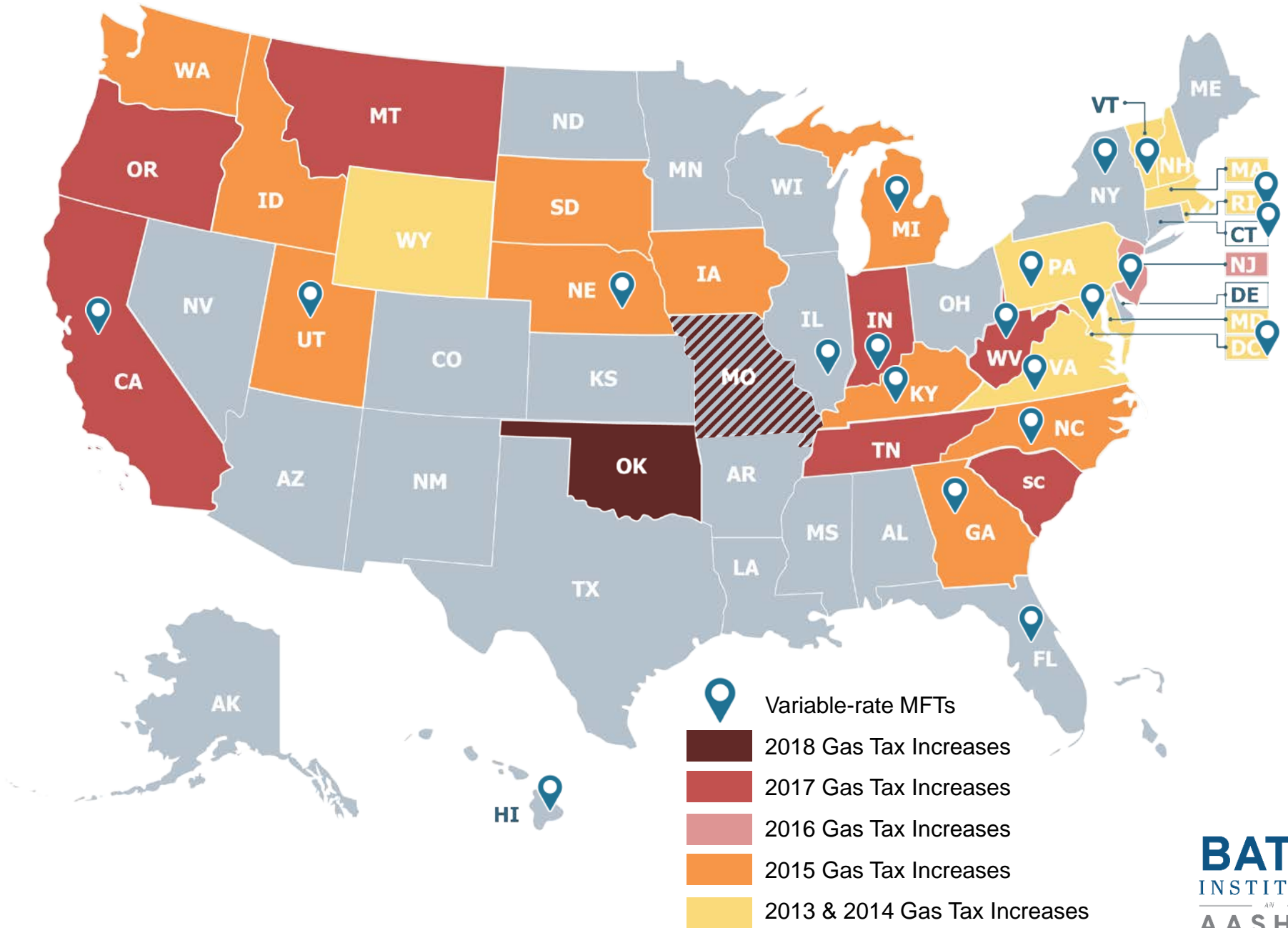


Recent Gas Tax Increases

- 28 States & D.C. have enacted legislation since 2013
- 20 states & D.C. have indexed or variable-rate gas taxes (blue stars) to alleviate some long-term shortfalls

MO (2018) increase subject to voter approval

OK (2018) did not increase transportation funding, but freed up general fund \$\$ for education



2017	Gas Tax Increase (Diesel)	Indexing Provisions	Registration Fee Increases	Establishes Electric Vehicle Fee	Estimated Revenue Increase	Other
California SB 1	12 CPG (20 CPG)	Yes, indexed to inflation	Creates Transportation Improvement Fee ranging from \$25 to \$175 based on vehicle value	New \$100 fee, indexed to inflation	\$52.4 billion over ten years	Eliminates “Gas Tax Swap”; Stops diversions of \$706 million to the General Fund from Transportation Fund
Indiana HB 1002	10 CPG	Indexed to inflation but limited to 1 CPG annual increase	\$15 new improvement fee	New annual \$150 fee for EVs and \$50 for hybrids	\$1.2 billion annually	Establishes framework for tolling highways; Increases tax on aviation and alternative fuels; adjusts distribution formulas
Montana HB 473	6 CPG over 6 years (2 CPG over 6 years)	X	X	X	\$27 million + annually	Allows state to meet federal match; Adjusts distribution formulas
Oregon HB 2017	10 cents over 6 years	X	Increase plus indexed to vehicle fuel efficiency	\$110	\$5.2 billion over 10 years	Creates new privilege tax on the sale of motor vehicles, creates a new sales tax on bicycles and establishes a payroll tax increase dedicated to transportation
South Carolina HB 3516	12 CPG over 6 years	X	\$16 increase to biennial fees and \$250 first time registration fee	New \$120 fee for EVs and \$60 for hybrids (both biennial)	\$181 million in FY 17-18 growing to \$727 million by FY 23-24	Establishes a road use fee for commercial motor vehicles; Increases driver license fees; Requires Transportation Asset Management Plan; Makes various tax reforms
Tennessee HB 534	6 CPG over 3 years (10 CPG over 3 years)	X	\$5 increase	New \$100 fee for EVs and increased tax rates on alternative fuels	\$350 million annually	Makes various income and sales tax reforms
Utah SB 276	Neutral	Accelerated indexing provisions from 2015 legislation	X	X	N/A	No immediate increase but will lead to an effective increase if fuel prices rise.
West Virginia HB 1006	3.5 CPG	Adjusted existing price floor on variable rate tax	Increased various motor vehicle fees	\$200 for EVs and \$100 for hybrids	\$140 million annually	

*The New Mexico Legislature passed legislation in August of 2017 that would index the 2017 gas tax to inflation. The Governor signed the bill in September 2017.

2018	Gas Tax Increase (Diesel)	Additional Info
Colorado SB 1	n/a	<ul style="list-style-type: none"> ➤ General fund transfer of \$495 million (FY 2018-19) and \$150 million (FY 2019-20) for multi-modal projects. ➤ Sends \$2.34 billion bonding <u>ballot measure to the voters.</u> ➤ Ballot measure to be removed if voter initiatives pass in 2018. ➤ Funded in part from general fund transfers and bond-like instruments on the sale of state property.
Missouri HB 1460	10 cpg (10 cpg) Over 4 years	<ul style="list-style-type: none"> ➤ Estimated to generate \$420.6 million annually once fully implemented. ➤ Revenues will go to pay for State Highway Patrol, freeing up current transfers to be used for other purposes. ➤ <u>Must be approved by voters.</u>
Oklahoma HB 1010	3 cpg increase (6 cpg diesel)	<ul style="list-style-type: none"> ➤ Dedicated to transportation and replaces general fund transfers ➤ <u>No net increase for transportation</u>
Virginia SB 896	Established a price floor on the existing variable-rate MFT	<ul style="list-style-type: none"> ➤ Current MFT “hybrid-structure” includes a fixed cent-per-gallon portion and a variable-rate portion applied in urban regions of the state.

Beyond the Gas Tax

Tolling / Priced Lanes

- Federal Interstate Ban
- Corridor Funding vs. System Funding

Road Use Charges

- Pilot Programs
- Replace or Complement MFT?

Electric Vehicle Fees

- 19 states
- Equity > Revenue

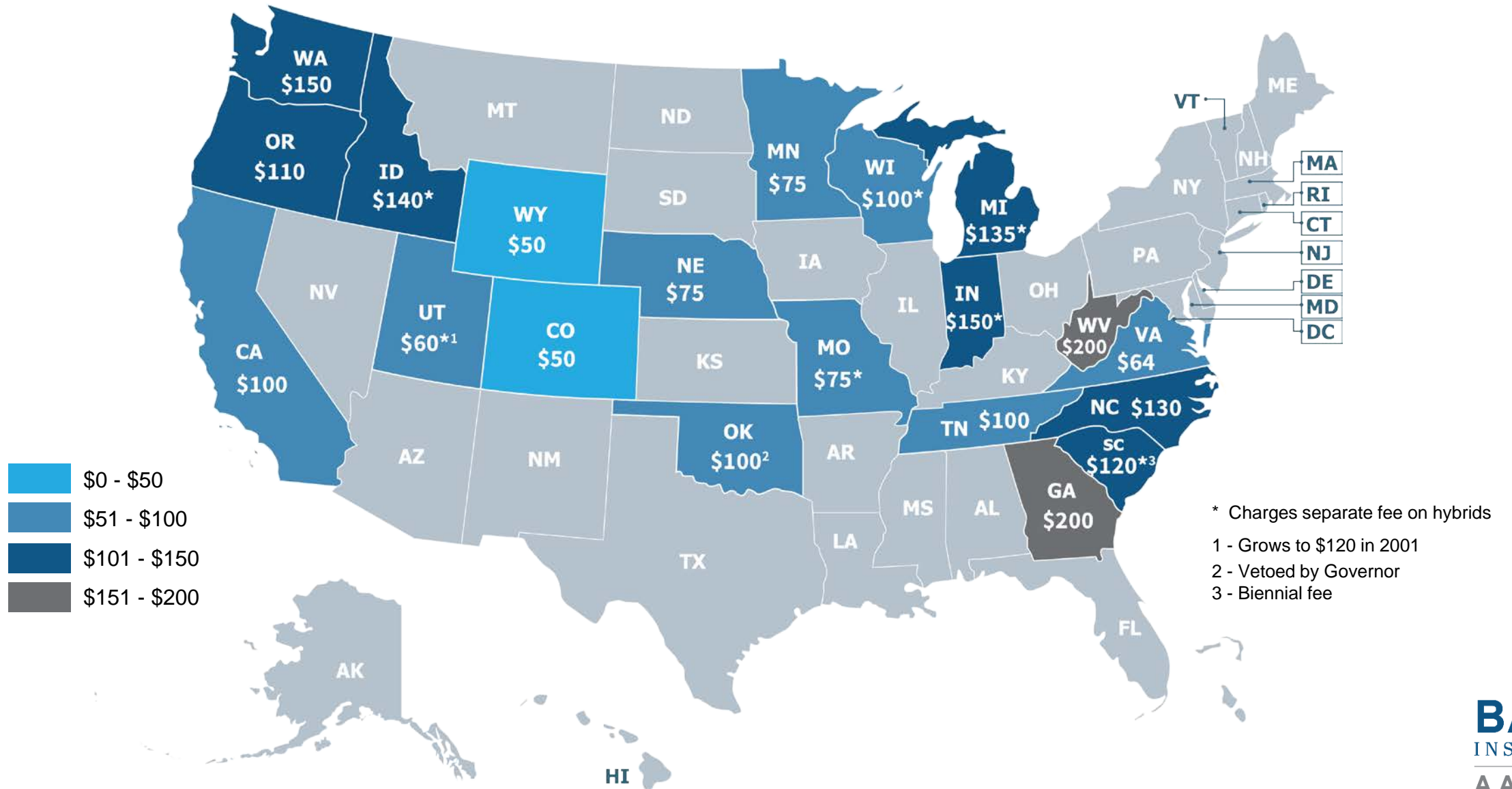
Other Sources

- Sales Taxes
- DMV Fees
- Oil and Gas

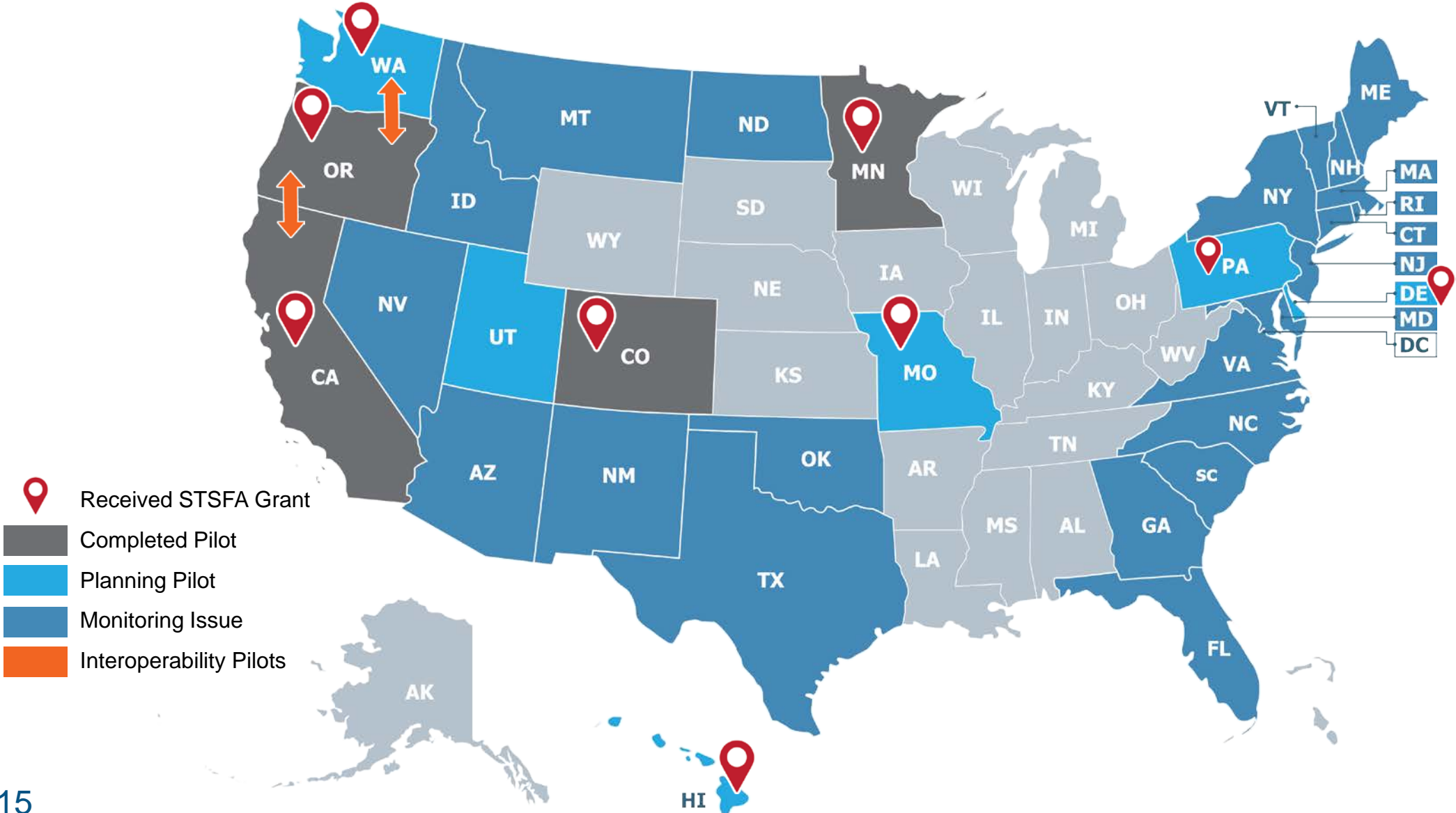
Non-Fuel Tax Approaches

2017	2018
Idaho – Authorized highway transportation GARVEE bonds. Legislation passed in 2014, 2015 and 2017.	Alabama (SB 100) – Funds the existing Alabama State Infrastructure Bank via multiple revenue streams including dedication of 1 cent of existing MFT revenues.
Minnesota – Authorizes \$940 million in highway bonds, \$300 million in general fund transfers to transportation and reallocates various tax revenues for use on transportation. Establishes a \$75 fee on electric vehicles.	Arizona (HB 2166) – Highway Patrol Funding through \$18.70 registration fee increase; restructured registration fee calculations for EVs, potentially increasing by 10x.
New Hampshire – Authorized the use of GARVEE bonds to finance certain transportation projects as part of the state’s 10 year transportation plan.	Connecticut (SB 543) – \$1 billion in bonding over 5 years for roads, bridges and transit.
Utah – Authorized \$1 billion in general obligation bonds for transportation over the next four years.	Georgia (HB 930) – Allows for special purpose local options sales tax for transit. Additionally includes \$100 million in state bonds for transit.
West Virginia – Authorized \$500 million in grant anticipation notes for transportation.	Minnesota (HF 4425) – Provides for \$400 million in bonding for the Corridors of Commerce program.
Wyoming – Increased vehicle registration fees, commercial vehicle fees and other transportation fees. Cut general fund transfers to transportation by approximately the same amount.	Utah (SB 136) – \$120 for EVs and indexes to CPI; Allows cities to implement local option sales tax for highways and transit; Creates a sales tax earmark for transit.

Electric Vehicle Fees



Pay per Mile Road Charging



NCSL's Transportation Funding Deep Dive

DEEP DIVE TRANSPORTATION 2014

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NCSL Deep Dives are one-stop shops for the newest policy trends and ideas. Dive in often for the latest on what states are doing.

NEW FROM NCSL

- Transportation Funding and Finance Legislation Database
- U.S. DOT Awards \$14.2 Million to States to Examine New Ways to Fund Surface Transportation
- FAST Act Analysis
- Report: How Long Has It Been Since Your State Raised Its Gas Tax?
- The Federal FAST Act Might Help States Find More Sustainable Transportation Revenue

GAS TAX

States have taken the lead in raising fuel taxes to support transportation. While Congress has not increased the federal gas tax since 1993, 18 states and D.C. have raised their gas tax or adjusted their tax formula since 2013 to bring in more revenue for transportation. [more]

Less than 23 cents/gallon
23-32 cents/gallon
More than 32 cents/gallon

TRANSPORTATION

Roads and bridges are crumbling, citizens are grumbling and Congress is stumbling. Look into the most promising ideas and solutions that can put you in the fast lane.

Transportation funding has been in a near constant state of crisis for about a decade. State legislatures, left in the lurch by the feds, have responded emphatically and creatively in their approaches to raise transportation revenue. More than one-third of states increased transportation investments in 2015; at least half have done so since 2012. Additionally in 2015, Maine and Texas voters approved funding transportation via the ballot box.

States are facing three big hurdles—a triple threat to business as usual—that are impeding them from repairing faulty bridges, maintaining roads, building new transit lines, and simply maintaining the existing infrastructure so it remains safe and efficient. And that's not to mention filling that pothole that can cost a driver thousands in repair costs.

First. When it comes to using gas, the cars Americans are driving today are drastically different than they were even 10 years ago. Fuel economy standards were 27.5 miles per gallon in 1985 and 30.2 mpg in 2011. But they are slated to reach 35.5 mpg in 2016. What's more, the growing number of hybrid or electric vehicles of the road today use gas only for a portion of their energy.

vehicles on the road, and a combined total of 210 million electric and hybrid cars and trucks that just aren't using very much or any fuel. Sales for non-gasoline vehicles are expected to rise by 65% over the next 10 years, according to the U.S. Dept. of Energy.

Alternative Fuel Taxes

How do we adapt fuel taxes to the cars of the future?

DASHBOARD

37
Number of states that provide incentives for hybrid or electric vehicles.

Special Fees on Hybrid or Electric Vehicles

Fees on Hybrid or Electric Vehicles
States that have enacted a special fee on hybrid or electric vehicles

2016 UPDATE COMING SOON!

Biodiesel Electricity Ethanol Hydrogen Natural Gas Propane

What's New

Gas Tax Legislation

National Overview

Transportation Funding Options

Transportation Funding by the Numbers



South Carolina

Secretary Christy Hall

Secretary of Transportation

Key Elements of 2017 Transportation Legislation

- Doubled state funding for SCDOT
- Increased funding for county/local programs by 50%
- Phased-in based on SCDOT's recommendations
- Governance Changes
- Accountability and Transparency Requirements
- Tax reforms

Successfully Breaking Down the 30-year Funding Barrier in SC

- SCDOT had to establish its credibility
- Our transportation village understood our audience and tailored our message
- Secretary of Transportation engaged early and often
- Dramatically changed our approach from “here’s what we need” to “here’s what we can deliver”
- Created a menu of options to drive the dialogue at the policy level
- It is more about the art of negotiation rather than solving an equation

Making the Case for Infrastructure Investment

	\$600M Additional Investment		\$800M Additional Investment		≈\$1 B Additional Investment	
Priorities	Additional Annual Investment	TAMP Targets	Additional Annual Investment	TAMP Targets	Additional Annual Investment	TAMP Targets
Make our Roads Safer	\$50	Target our deadliest roads in rural communities. Nearly 30% of our rural fatalities & serious injuries are occurring on just over 5% of our network.	\$50	Target our deadliest roads in rural communities. Nearly 30% of our rural fatalities & serious injuries are occurring on just over 5% of our network.	\$50	Target our deadliest roads in rural communities. Nearly 30% of our rural fatalities & serious injuries are occurring on just over 5% of our network.
Improve Pavement Conditions	\$300	Primaries to 58% GOOD Interstates to 95% GOOD FA Secondaries to 40% GOOD NFA Secondaries to 30% GOOD Target \$50M to complement Safety Program	\$400	Primaries to 58% GOOD Interstates to 95% GOOD FA Secondaries to 55% GOOD NFA Secondaries to 30% GOOD Target \$50M to complement Safety Program	\$500	All Pavements have been brought up to a state of good-repair.
Increase Mobility along Freight Network	\$200	Additional investments for interstate widenings and launch a non-interstate freight mobility program.	\$200	Additional investments for interstate widenings and launch a non-interstate freight mobility program.	\$200	Additional investments for interstate widenings and launch a non-interstate freight mobility program.
Deliver Better Routine Maintenance	\$60	Achieve a "C" Grade on our day-to-day maintenance operations.	\$60	Achieve a "C" Grade on our day-to-day maintenance operations.	\$117	Achieve a "B" Grade on our day-to-day maintenance operations.
Continue to Invest in Bridges			\$46	Continue our journey to improve our substandard bridges. Initiate plans to replace our mega bridges along our critical routes.	\$46	Continue our journey to improve our substandard bridges. Initiate plans to replace our mega bridges along our critical routes.
Enhance Mass Transit Services			\$38	Increase drawdown of available federal funds. Increase efficiency in bus operations. Enable access to transportation for workers.	\$38	Increase drawdown of available federal funds. Increase efficiency in bus operations. Enable access to transportation for workers.
	\$610M		\$794M		\$951M	

Increased Transparency



Organizational Performance Dashboard

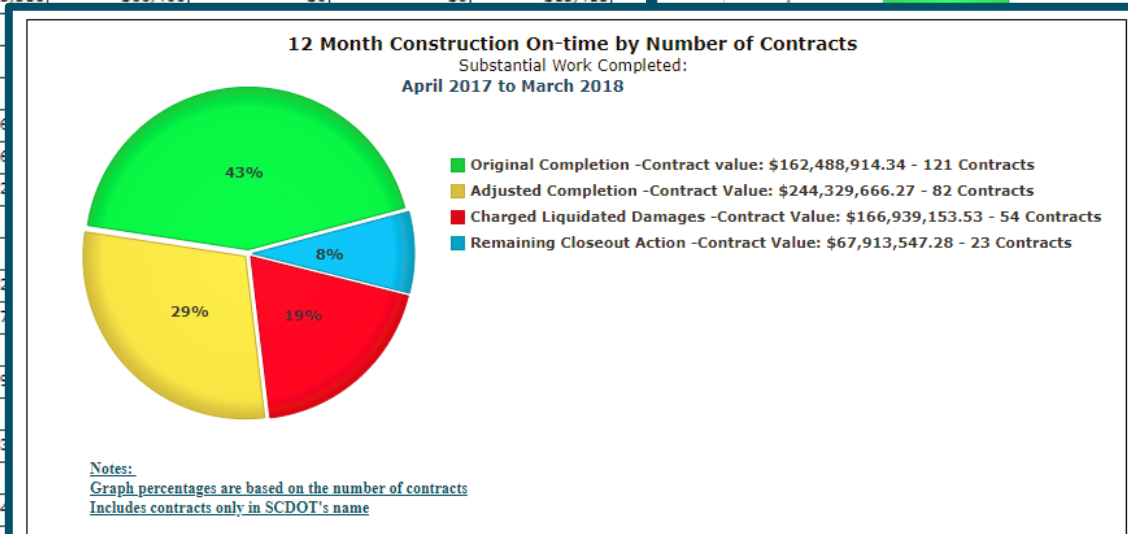
HOME MANPOWER PROFESSIONAL SERVICES PROJECT DELIVERY MAINTENANCE RESPONSE

Management Initiative: Professional Services

Outside professional services are utilized by SCDOT in order to assist in the delivery of our annual road and bridge program. Consultants are engaged to provide specialized services, such as underwater bridge inspection, and to help fill in any gaps in internal staffing capabilities or availability. In accordance with federal requirements, consultants are selected utilizing a qualification-based selection process.

Actual Invoice Amounts

Contract Type/Task	SFY 12-13	SFY 13-14	SFY 14-15	SFY 15-16	SFY 16-17	SFY 17-18
Construction Engineering & Inspection						
>>>Project Specific CE&I	\$9,475,605	\$4,859,850	\$2,181,462	\$2,807,899	\$12,085,352	
>>>On Call CE&I	\$7,314,830	\$8,107,078	\$8,951,097	\$10,594,957	\$12,940,766	
Project Design/General Engineering	\$14,168,481	\$12,288,490	\$8,790,292	\$14,401,255	\$17,807,112	
On Call Bridge Design	\$0	\$0	\$252,830	\$998,858	\$1,599,236	
On Call Concrete & Steel	\$25,586	\$66,406	\$0	\$0	\$15,418	
On Call Design Build Preparation						
On Call Environmental Construction & Compliance						
On Call Environmental Small Purchase						
On Call Foundation PDA	\$106					
On Call General Engineering Services	\$3,416					
On Call Geotechnical	\$1,122					
On Call Hydrology*						
On Call Interstate Rehabilitation						
On Call Lead Paint	\$552					
On Call NEPA	\$127					
On Call Noise Analysis						
On Call Permitting	\$399					
On Call Photogrammetry						
On Call Pipe Video*	\$1,103					
Planning Project Specific						
On Call Right of Way*	\$164					
On Call Roadway Design/Intersection Improvements						



Organizational Performance Dashboard

HOME MANPOWER PROFESSIONAL SERVICES PROJECT DELIVERY MAINTENANCE RESPONSE

Improve Project Delivery

Delivering projects on-time and on-budget are the expectations of our stakeholders. Delayed projects introduce additional costs in escalating material costs and higher user costs due to uncorrected deficiencies in the performance or condition of the state highway system. SCDOT is currently developing 609 projects in the pre-construction pipeline at an estimated value of \$3.60 Billion. SCDOT currently is managing the construction phase of 385 highway & bridge projects at a value approaching \$2.3 Billion which includes \$1.75 Billion in contracts for SCDOT plus \$504 Million in Local Sales Tax Program projects. These projects are a mix of resurfacing, widening, new location and other road & bridge activities.

Federal Fiscal Year 2018 Project Delivery Analysis (#) Year-to-Date
Includes All Projects Managed by Preconstruction



Impact of Additional Funding

Upgrades to safety features on 1,000 miles of rural roads

1000 MILES

Paving program will double



465 new bridges



140 miles of interstates improved



Utah

Senator Wayne Harper

SPONSOR OF S.B. 136
Utah State Senate

Context 2015-2017

- **House Bill 362 (2015)**
 - Replaced the existing gas tax of 24.5 cents per gallon with a 12 percent tax on the average rack price of a gallon of gas.
 - Average rack price used to calculate tax cannot fall below \$2.45 per gallon after 2019 and will be tied to the consumer price index.
 - “Moving floor” so that tax rate can’t drop below previous year’s rate
- **Senate Bill 276 (2017)**
 - Accelerated the indexing provisions implemented by HB 362 by redefining the fuel tax rate to 16.5 percent of \$1.78 – likely triggering CPI adjustments sooner as fuel prices rise.
 - Imposes an automatic CPI trigger starting on January 1, 2019 even if average rack price doesn’t rise above \$1.78.
- **2017 establishment of the Utah Transportation Funding and Governance Task Force**

Enrolled Copy **H.B. 362**

TRANSPORTATION INFRASTRUCTURE FUNDING

2015 GENERAL SESSION
STATE OF UTAH

Chief Sponsor: Johnny Anderson
Senate Sponsor: Alvin B. Jackson

LONG TITLE

General Description:
This bill modifies provisions relating to transportation funding.

Highlighted Provisions:
This bill:

- ▶ provides and amends definitions;
- ▶ authorizes a county to impose a local option sales and use tax for highways and public transit;
- ▶ addresses the use of revenue collected from the local option sales and use tax for highways and public transit;
- ▶ requires a political subdivision that receives certain sales and use tax revenue to submit certain information in audits, reviews, compilations, or fiscal reports;
- ▶ repeals the cents per gallon tax rate that is imposed on motor fuels and special fuels after a specified date;
- ▶ imposes a percentage tax per gallon on motor fuel and special fuel based on the statewide average rack price of a gallon of regular unleaded motor fuel after a specified date;
- ▶ establishes procedures for the State Tax Commission to determine the statewide average rack price of a gallon of regular unleaded motor fuel;
- ▶ specifies the date that the adjusted fuel tax rate shall take effect each year;
- ▶ increases the tax rate of the special fuel tax imposed on compressed natural gas and liquified natural gas;
- ▶ imposes a special fuel tax on hydrogen used to operate or propel a motor vehicle on

2018 Legislative Actions

Utah SB 71

■ Tolling

- Removes certain restrictions on the Department of Transportation's ability to establish a tollway on an existing highway, building previous authority for the Department to toll new lanes, new roadways, and High Occupancy Toll lanes.
- Allows the Department of Transportation to use camera and video technology to monitor a tollway

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S.B. 71

1 **ROAD TOLLS PROVISIONS**
2 2018 GENERAL SESSION
3 STATE OF UTAH
4 **Chief Sponsor: Wayne L. Niederhauser**
5 **House Sponsor: Mike Schultz**
6

LONG TITLE
7 **General Description:**
8 This bill modifies provisions related to the imposition and collection of tolls on certain
9 roads.
10 **Highlighted Provisions:**
11 This bill:
12

- 13 allows the Department of Transportation to:
14
 - 15 mail correspondence to inform the owner of a motor vehicle of an unpaid toll or
16 penalty for failing to pay a toll;
 - 17 impose a penalty for failure to pay a toll;
 - 18 use camera and video technology to monitor a tollway; and
 - 19 request a hold on the registration of a motor vehicle if the owner has failed to
20 pay a toll or penalty associated with the motor vehicle;
- 21
 - 22 removes certain restrictions on the Department of Transportation's ability to
23 establish a tollway on an existing highway;
 - 24 allows the Department of Transportation to establish a tollway on an existing
25 highway if approved by the Transportation Commission;
 - 26 requires the Department of Transportation and the Division of Motor Vehicles to
27 share information pertinent to registration and toll enforcement;
 - 28 requires the Department of Transportation to make rules related to tollways and the
amount of a penalty for failure to pay a toll;
 - allows the retention of license plate data for toll and penalty collection purposes;

2018 Legislative Actions

Utah SB 136

■ Funding

- Creation of a Road Use Charge (RUC) pilot (already in development)
- Creation of additional local sales tax options for certain communities
- Fee imposed in addition to registration fee for electric vehicles, hybrid electric, and plug-in hybrids
 - Establishes a new annual fee of \$60 growing to \$120 by 2021 for electric vehicles, \$10 growing to \$20 for hybrid electric, and \$26 growing to \$52
 - CPI adjustment for motor vehicle registration fees
- Transit funding
 - Creates a new state sales tax earmark for the Transit Transportation Investment Fund. First year may generate up to \$5.2 million
- Allows local jurisdictions to share property tax revenue for transportation capital development projects.

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S.B. 136

1 **TRANSPORTATION GOVERNANCE AMENDMENTS**
2 2018 GENERAL SESSION
3 STATE OF UTAH
4 **Chief Sponsor: Wayne A. Harper**
5 House Sponsor: Mike Schultz
6
7 **LONG TITLE**
8 **General Description:**
9 This bill modifies governance of certain public transit districts, amends provisions
10 related to registration fees, modifies taxes related to transportation, modifies the
11 governance of the Department of Transportation, and makes other changes.
12 **Highlighted Provisions:**
13 This bill:
14 ▶ amends and enacts provisions to allow local jurisdictions to share property tax
15 revenue for transportation capital development projects;
16 ▶ defines "large public transit district" and "small public transit district";
17 ▶ vests in the Legislature the authority to name a large public transit district;
18 ▶ modifies the makeup of the board of trustees of a large public transit district by:
19 • reducing membership from 16 to three;
20 • vesting nomination responsibilities in executives of local governments and
21 appointment responsibilities in the governor; and
22 • defining responsibilities of the members of the board of trustees;
23 ▶ requires a large public transit district to have legal counsel from the Utah attorney
24 general, and provides for a transition for an existing large public transit district;
25 ▶ creates a local advisory board for a large public transit district and defines the
26 membership and duties of a local advisory board;
27 ▶ requires a large public transit district to transition retirement benefits to fall under
28 the provisions and oversight provided in the Utah State Retirement and Insurance

Summary of 2018 Legislative Actions

Creation of a RUC pilot (which is already in development)

Creation of additional local sales tax options for certain communities

Registration fee adjustments

- Increases motor vehicle registration fees for alternative fuel vehicles
- CPI adjustment for motor vehicle registration fees

Transit funding

- Creates a new state sales tax earmark for the Transit Transportation Investment Fund, up to \$5.2 million

Tolling

- Utah SB 71 removes certain restrictions on the Department of Transportation's ability to establish a tollway on an existing highway
- Allows the Department of Transportation to establish a tollway on an existing highway if approved by the Transportation Commission

Looking Ahead

- Creation of the Utah Transportation and Tax Review Task Force to build upon outcomes of SB 136
- Use of the new transportation revenues
- Possible actions in 2019 and beyond





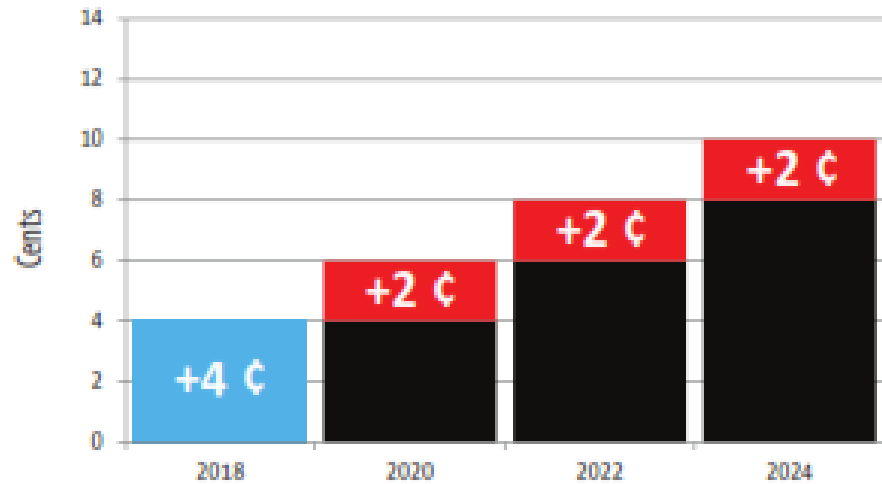
Oregon

Travis Brouwer

ASSISTANT DIRECTOR FOR PUBLIC AFFAIRS
Oregon Department of Transportation

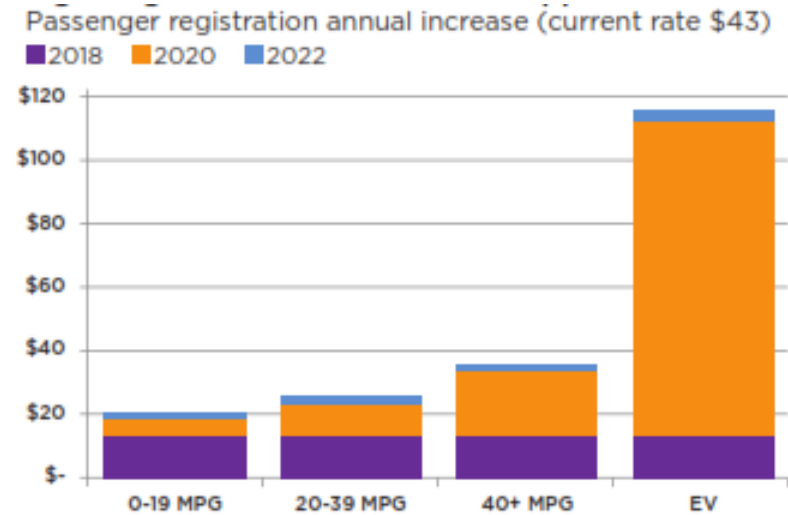
HB 2017 Gas Tax, Vehicle Registration and Title Fees

Gas Tax



Gas tax will increase 10 cents in four steps – with the last three increases conditioned on meeting accountability requirements

Registration and Title Fees



Registration and title fees increase in three steps. Surcharges for electric vehicles and hybrids that pay little in gas tax ensure they pay their fair share for roads.

The average driver will pay about .8 cents per mile to get better roads that provide more reliable trips – less than they would pay to repair damaged vehicles if roads deteriorate.

HB 2017 Other New Funding

Public Transportation Payroll Tax



0.1% tax on wages will generate \$115 million per year for public transportation and cost less than \$1 a week for the average worker.

Bicycle Tax



\$15 fee on new adult bicycles that cost \$200 or more will generate \$1.2 million a year for separated biking and walking paths

Light Vehicle Dealer Privilege Tax



0.5% dealer privilege tax on new light vehicles dedicated to electric vehicle rebates and multimodal transportation projects.

HB 2017 Investment Areas



Maintenance and preservation



Congestion relief



Local roads



Public transportation



Bicycle/pedestrian infrastructure



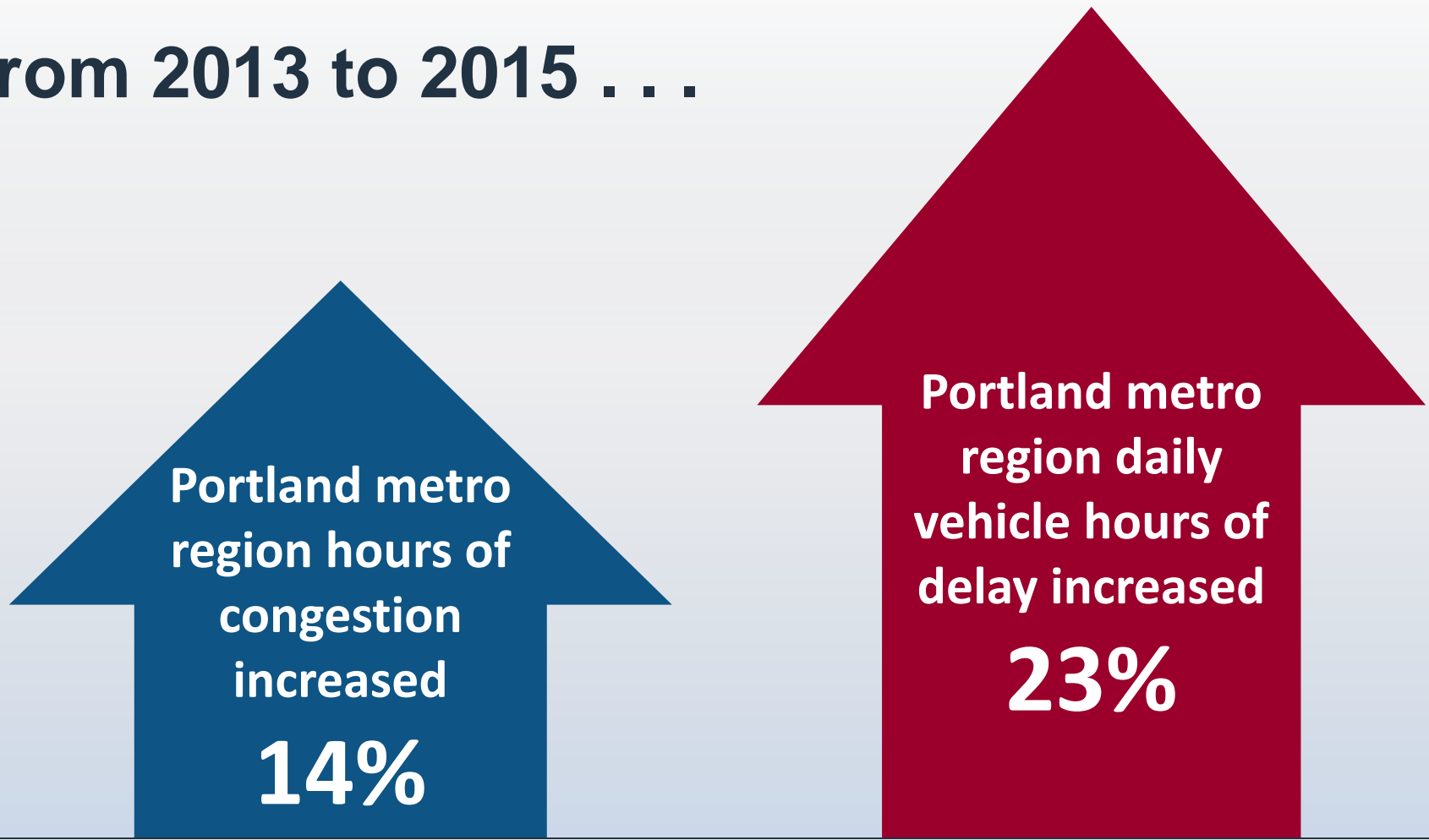
Intermodal freight



Electric vehicle incentives

Portland Congestion

From 2013 to 2015 . . .



**Portland metro
region hours of
congestion
increased
14%**

**Portland metro
region daily
vehicle hours of
delay increased
23%**

Congestion Relief in HB 2017



Bottleneck relief



Transportation options



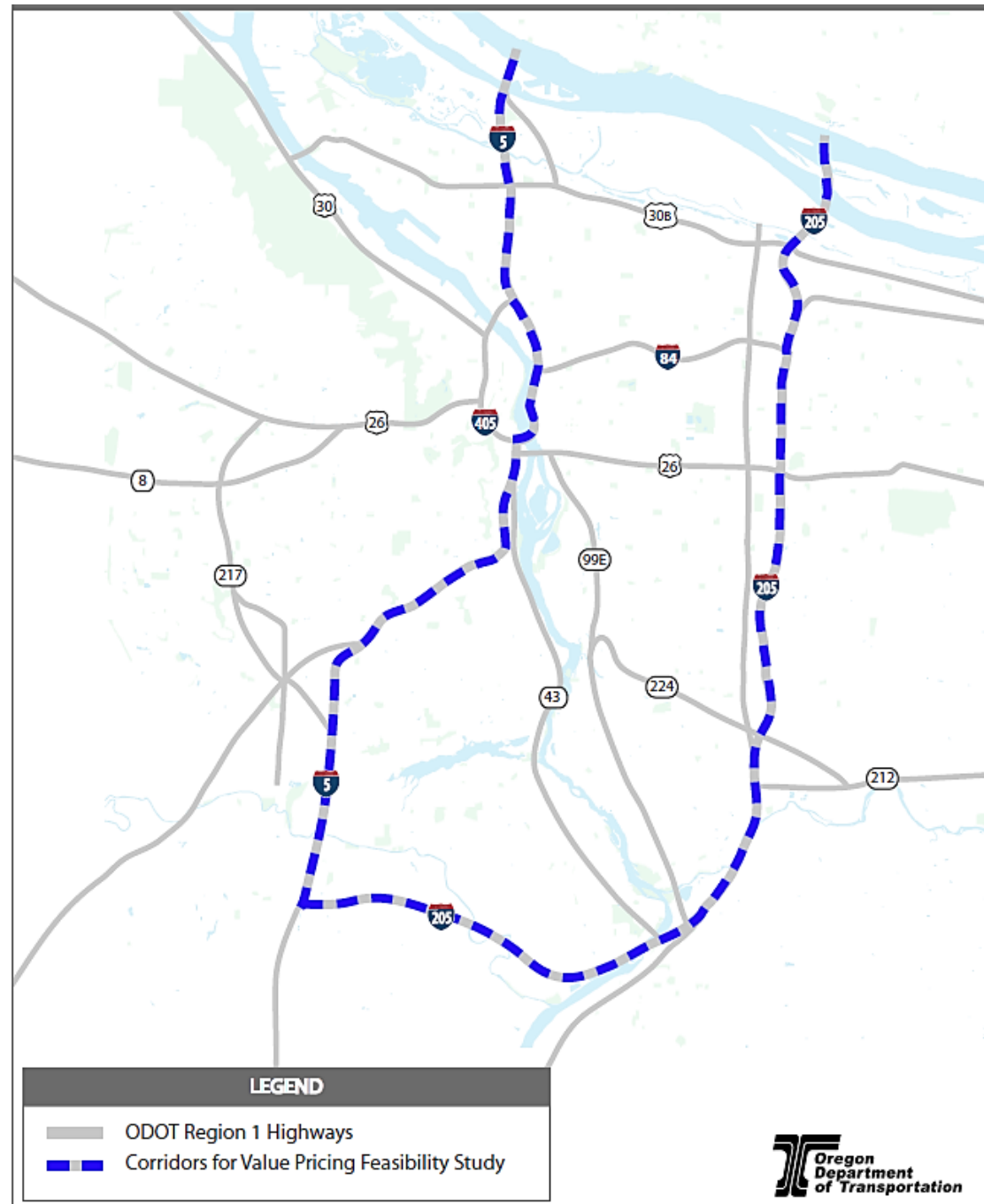
Freight rail



Value pricing

“All of the Above” Approach...

Value Pricing Feasibility Analysis Corridors



Types of Value Pricing



Bridge/highway tolling

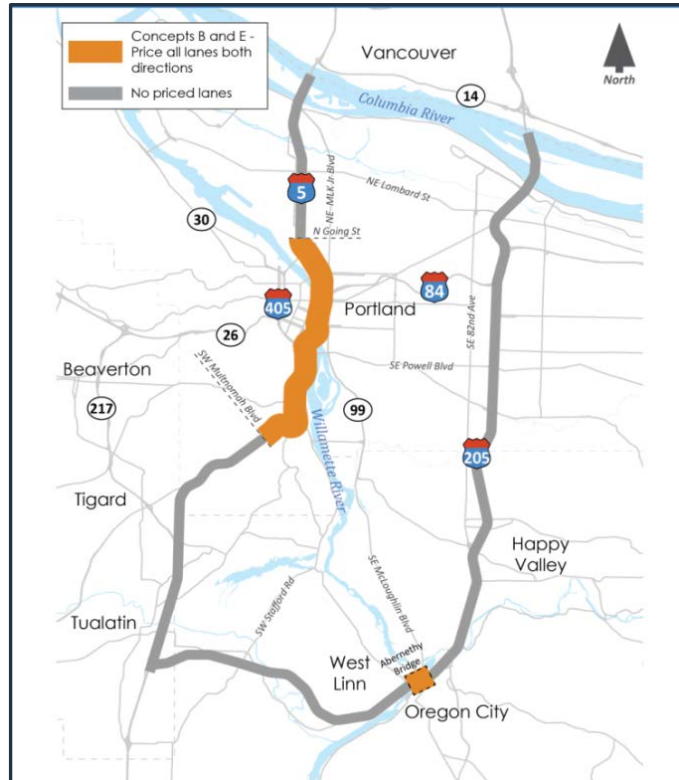


Managed toll lanes

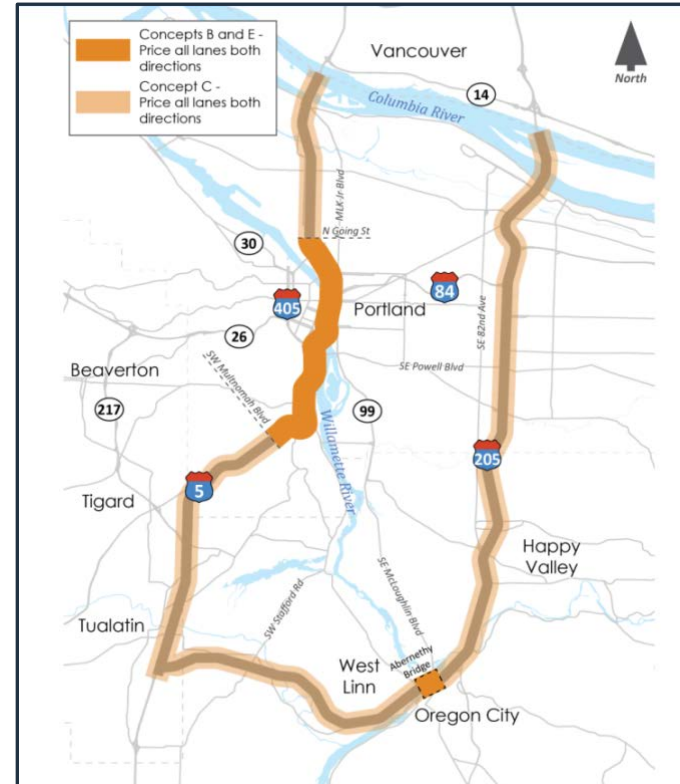
Five Concepts Under Consideration



Consultant Recommendation



Initial implementation of tolling on I-205 at Willamette River Bridge and on I-5 through central Portland



Consider phased implementation of tolling on all of I-5 and I-205 after comprehensive planning

Questions and Answers

Jennifer Brickett

DIRECTOR

BATIC Institute: An AASHTO Center for Excellence

Discussion



Kevin Pula
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NCSL Transportation Program

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Christy Hall
South Carolina Secretary of
Transportation



Sen. Wayne Harper
Utah State Senate



Travis Brouwer
Assistant Director for
Public Affairs,
Oregon DOT

Please submit any questions to our panel using the Q&A box in the bottom left corner of your screen


AASHTO Legislative Tracker

State Transportation Funding Proposals Since 2013

State	Date Updated	Bill Number	Revenue Type(s)	Status	Description
Alabama	4/25/2017	SB386	Local Gas Tax	Pending	County commissioners would be able to charge a local gas tax for specific projects.
	4/13/2017		Gas Tax	Rejected	Would have raised the gas tax by 4-cents in 2017, and 9-cents by 2024.
	5/2/2016	HB394	Gas Tax	Rejected	Additional gas & diesel excise tax based on average of existing gas taxes in border states, roughly 6-cents/gallon increase in 2016
Alaska	2/10/2017	HB60	Gas Tax	Pending	Tripling of the state gas-tax (from 8 to 24-cents per gallon), phased in by July 1, 2018
Arizona \$63 Billion funding gap over 25 years (\$2.52 Billion annually)	2/14/2017	SB1146	Registration Fees; EV Fees	Pending	0.5% increase to vehicle registration fees & \$12 electric vehicle fee
	2/15/2013	Multiple	Mileage Based User Fee	Rejected	Study for potential VMT fees to replace the state gas tax
Arkansas	6/1/2016	HB1009	General Fund Transfer	Passed	\$50 Million annually will be transferred for roads and bridges from the state's general revenue, surplus, and rainy day funds.
	5/9/2016		Gas Tax	Never Introduced	Several legislators considered introducing a bill with a 5-cent gas tax increase, with an additional 3-cent increase over the following three years.
	3/7/2013	Issue 1	Sales Tax	Passed	A temporary half-cent sales tax increase (from 6.0% to 6.5%). The sales tax increase will be rescinded after ten years when the bonds used from the proceeds have been repaid. This was introduced in 2011, but because it is a constitutional amendment, it had to be put to voters.

May 19, 2017 1

The most recent edition can be found here
<https://fundingfinance.transportation.org/state-transportation-funding-proposals/>



AASHTO
STANDING COMMITTEE ON FINANCE AND ADMINISTRATION

<http://www.scofa.transportation.org>

State Transportation Funding Proposal Tracker

May 19, 2017

- Louisiana senators [unanimously approved](#) a constitutional amendment to protect transportation funds from other uses.
- Louisiana's House Ways and Means Committee [approved](#) a 17-cent gas tax increase that would raise \$510 Million annually.
- Oregon legislators [announced](#) a plan that would raise \$800 Million per year with an increase in the gas tax, higher registration fees, and other taxes.
- South Carolina's 12-cent gas tax hike [won approval](#) in the house needed to override governor's veto.
- Wisconsin's governor has [announced](#) opposition to the Legislature's proposed gas tax increase.

AASHTO STANDING COMMITTEE ON FINANCE & ADMINISTRATION
May 19, 2017

Previous updates can be found here
<http://scofa.transportation.org/Pages/State-Transportation-Funding-Successes-and-Proposals.aspx>

Wrap-Up

Thank you for attending today's webinar

The BATIC Institute will post responses
to all questions received today on its website

The recorded webinar will also be available
on the BATIC Institute website:

www.financingtransportation.org

UPCOMING BATIC INSTITUTE OFFERINGS

P3 Basics Training for Planners
Spokane, WA
July 17

P3 Basics Training at NCSL Legislative Summit
Los Angeles, CA
July 29 - 30

**Roundtable on Funding & Financing Short Line
Rail**
Miami, FL
September 11

Roundtable on Transit Oriented Development
Miami, FL
September 11