State & Local Transportation Funding Update

Carolyn Kramer
ARTBA-TIAC Director

May 11, 2019
2019: 250 Transportation Funding-Related Bills in 46 States To-Date

2019 State Transportation Funding Legislation

Types of State Transportation Funding Revenue Increases Introduced in 2019

- One-Time Funding: 34
- Non-Fuel Tax Recurring Funding: 72
- Electric Vehicle Fee: 32
- Variable-Rate Tax: 13
- Motor Fuel Tax: 45

Note: Individual bills may contain multiple revenue source proposals.
Source: ARTBA-TIAC’s April 2019 State Transportation Funding Monthly Report
States Introduced Over 214 Transportation Funding Bills in 2018

Source: TIAC™ State Funding Initiatives Report, May 2018
2019: 15 States Propose New/Adjusted Variable-Rate Gas Taxes

Source: TIAC™ State Funding Initiatives Report Feb. 2019
2019: 15 States Propose One-Time Revenues

Source: TIAC™ State Funding Initiatives Report July 2018
2019: 18 States Propose a State Fuel Tax Increase

Source: TIAC™ State Funding Initiatives Report: July 2018
2019: 23 States Propose Alternative Fuel or Electric Vehicle Taxes/Fees

Source: TIAC™ State Funding Initiatives Report, July 2018
2019: 26 States Propose Other Recurring Funding Measures

Source: TIAC™ State Funding Initiatives Report July 2018
32 States & DC Have Increased Motor Fuel Related Taxes 53 Times Since 1997

Approved 2013-2019

Approved Prior to 2013

American Road & Transportation Builders Association
20 States Use Variable-Rate State Gas Taxes

Source: TIAC, “Variable-Rate State Gas Taxes”, Aug. 2017
10 Road Usage Charge Programs & Pilots

Voters Approve $30B+ in Transportation Funding Nov. 6 2018

Source: ARTBA TIAC™ Research, Updated November 7, 2018
## Regional Overview of Ballot Measures, November 6, 2018

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Measures Introduced</th>
<th>Number of Measures Approved, by Type of Measure</th>
<th>Total</th>
<th>Percent of Measures Passed</th>
<th>Value of Approved Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central</td>
<td>232</td>
<td>0 Gasoline Tax, 6 Sales/Income Tax, 4 Bond, 170 Property Tax, 2 Other</td>
<td>182</td>
<td>78%</td>
<td>$281.20 million</td>
</tr>
<tr>
<td>Northern</td>
<td>16</td>
<td>0 Gasoline Tax, 0 Sales/Income Tax, 15 Bond, 0 Property Tax, 1 Other</td>
<td>16</td>
<td>100%</td>
<td>$636.63 million</td>
</tr>
<tr>
<td>Southern</td>
<td>24</td>
<td>0 Gasoline Tax, 9 Sales/Income Tax, 7 Bond, 2 Property Tax, 1 Other</td>
<td>19</td>
<td>79%</td>
<td>$25.52 billion</td>
</tr>
<tr>
<td>Western</td>
<td>74</td>
<td>1 Gasoline Tax, 20 Sales/Income Tax, 18 Bond, 12 Property Tax, 4 Other</td>
<td>55</td>
<td>74%</td>
<td>$3.35 billion</td>
</tr>
</tbody>
</table>

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Transportation Investment Advocacy Center

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Nov. 6, 2018 Type of Ballot Measure, by Number and Percent Approved

- Property Tax: 184 approved (80%)
- Sales/Income Tax: 34 approved (74%)
- Bond: 44 approved (90%)
- Gasoline Tax: 13 approved (33%)
- Other: 8 approved (47%)

TIAC - Transportation Investment Advocacy Center
ARTBA - American Road & Transportation Builders Association
State Highway & Bridge Program Revenue Mix Has Changed

2000
State Highway Program Revenues

- 24% Federal Investment $20.8B
- 55% Highway User Fees, Tolls & Taxes $46.6B
- 11% Bond Issues $8.9B
- 10% Other State Revenue* $8.7B

2015
State Highway Program Revenues

- 23% Federal Investment $40.5B
- 42% Highway User Fees, Tolls & Taxes, $74.1B
- 15% Bond Issues $26.8B
- 20% Other State Revenue* $34.4B

*Other state revenues include the state General Fund, sales taxes, local government reimbursement and other imposts.
Source: Federal Aid Highway Statistics

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Federal funds, on average, provide 51% of annual state DOT capital outlays for highway & bridge projects.

Source: ARTBA analysis of FHWA Highway Statistics data, total ten year average 2005-2014 from tables SF-1 and SF-2. The percent is the ratio of federal aid reimbursements to the state and total state capital outlays and is indicative of the importance of the federal aid program to state capital spending for highways and bridges. Does not include local capital spending. Federal highway reimbursements are primarily used for capital outlays, including construction, right-of-way and engineering, but are also used for debt service for GARVEE bonds.

* States that have issued GARVEE bonds before 2014.
Other TIAC Resources

Variable-Rate State Gas Taxes
A Resource Guide of Current Laws
August 2015

State Transportation Related Taxes and Fees on Alternative-Fuel & Electric Vehicles
January 2016

How a Gas Tax Increase Affects the Retail Pump Price
An Economic Analysis of 2013-14 Market Impacts in 5 States
Dr. Alex Presser-Roach
Senior Vice President & Chief Economist
American Road & Transportation Builders Association

Executive Summary
This analysis is the first research that has looked at:

- Weekly fluctuation in the average retail price of a gallon of regular gasoline at the national and state levels since January 2005; and the
- Actual market impact gas tax increases in five states during 2013 and January 2014 fuel on the average state retail price of a gallon gasoline the day of and the day after enactment, as well as a month and year later. The states were Massachusetts, Maryland, Pennsylvania, Vermont and Wyoming.

Based on the real-world pump price impacts observed at the state level, we can expect a high degree of confidence the likely retail pump price impact of a 25-cent per gallon increase in the federal motor fuel tax.

For the analysis, we used data obtained from the U.S. Energy Information Administration (EIA) and the Oil Price Information Service (OPIS), one of the world's most comprehensive resources for petroleum pricing and news.

We found:

- The national average retail price for a gallon of regular gasoline has fluctuated an average five cents per gallon week to week since January 2005.
- Compared to the average state pump price for regular gasoline the day before the state gas tax increases went into effect.

Campaign resources, including...
Ø Campaign Management Firms
Ø Opinion Research/Polling Firms
Ø Sample Advertising & Media
Ø Sample Polling
Ø TranspoAdvocates News
Ø Model Statutory Language
TIAC has created over 60 case studies on successful and unsuccessful legislation and state, county and local ballot measures.
The annual Workshop brings together transportation investment champions from around the country to share best practices, playbook secrets and other keys to success in advancing state and local legislative and ballot initiatives that boost transportation infrastructure investment.
Webinars

Upcoming Webinars:

Lessons Learned: The Importance of Local Funding in State Gas Tax Increases
June 2019

Three experts will share their experiences on state legislation that dedicated—or failed to
dedicate—increased revenue to localities, the impact that had on the public’s perception of
the legislation, and the future of the state’s overall transportation infrastructure. This webinar
is a joint production between ARTBA’s “Transportation Investment Advocacy Center”™ and
ARTBA’s “Transportation Officials Division.”

On-Demand Learning!

- Campaign Strategies & Successes
- Election & Ballot Measure Recaps
- Electric Vehicle Fees
- Campaigning for a Transportation Fund Lockbox
- The Governor’s Role in Transportation Funding
- Thinking Outside the Gas Tax
- Building Transportation Investment Coalitions
- Beating Gas Tax Rhetoric from the Right

www.transportationinvestment.org/webinars