

ATSSA's Virginia and Chesapeake Chapters

Make HTF Great Again: Fast Act and Highway Trust Fund

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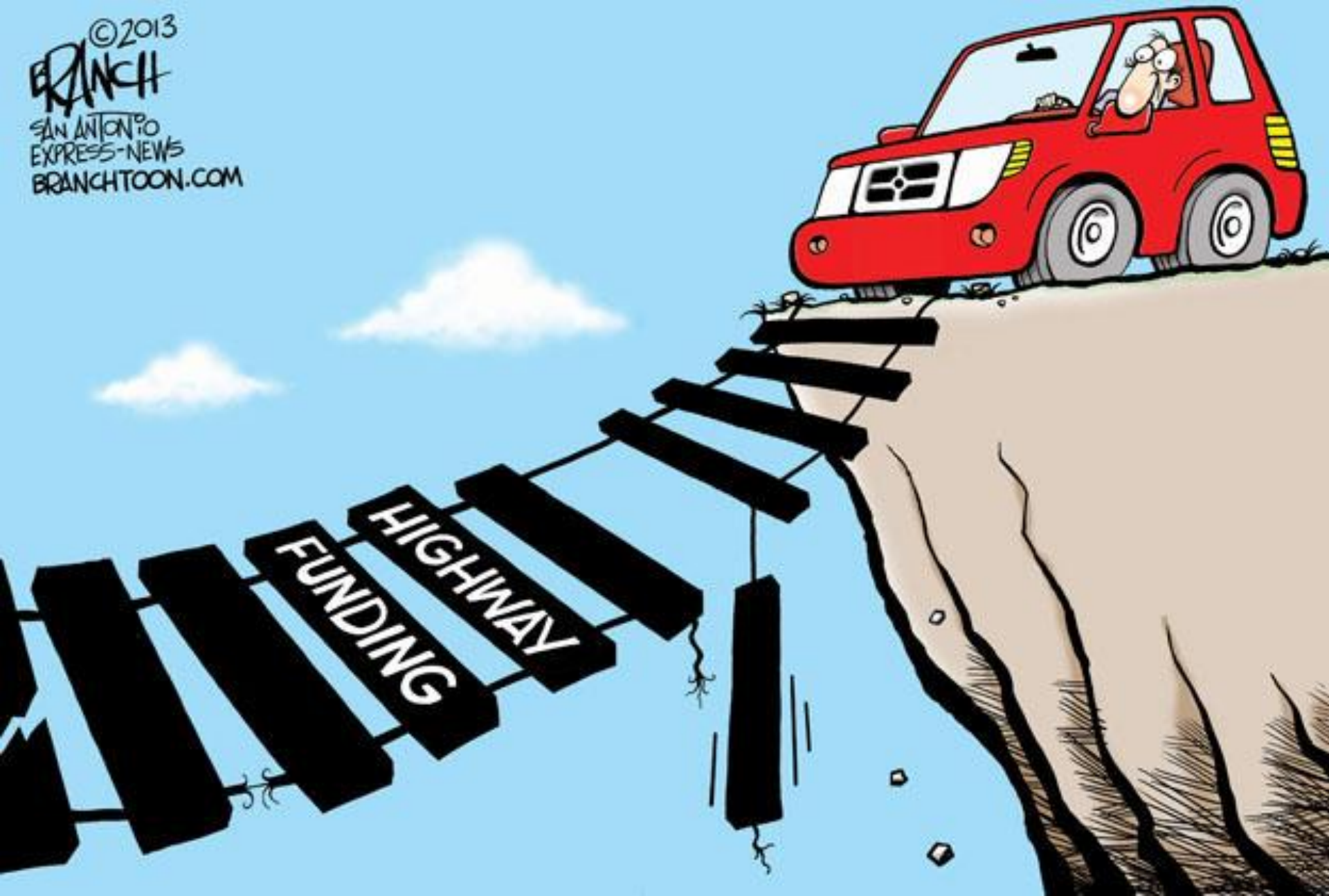
Highway Bill & HTF Funding

Where Were We?

Today's FAST Act

What's Next

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U.S. HIGHWAY
TRUST FUND
RUNNING OUT DUE TO
POLITICAL GRIDLOCK



**Where
the
Highway
Ends**

1/13
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COLUMBIA SUNDAY TRIBUNE
CAGLE CARTOONS.COM
WITH APOLOGIES TO SILVERSTEIN



ALTERNATIVE USES FOR TRAFFIC CONES

FAST Act Highlights

- 5 year, fully funded surface transportation bill
- \$305 billion
- Highway bill funding shortfall is filled with non-user fee funding solutions
 - Selling off oil from SPR
 - Reducing dividends from Fed Reserve to banks
 - Drawing down Fed Reserve rainy day account
 - Language included to help future HTF revenue
 - VMT pilot programs
- Includes Export-Import Bank reauthorization through Sept. 30, 2019

Highway Safety Improvement Program

HSIP Details

- Continues Highway Safety Improvement Program (HSIP)
- Ensures HSIP is only for infrastructure safety projects
- Increased HSIP funding from MAP-21
- Directs DOT to conduct a study on methods for identifying roadside highway safety hardware devices – to be completed by Jan 1, 2018

HSIP Details

- Continues Work Zone Safety Grant & increases funding from \$3M to \$3.5M annually, now funded through HSIP
- Within WZSG, includes language to make training for guardrail installation, maintenance and inspection eligible
- Increased funding for highway-railgrade crossing program

HSIP Funding Levels (includes Highway Rail and WZSG Programs):

FY16 - \$2.45 billion

FY17 - \$2.51 billion

FY18 - \$2.56 billion

FY19 - \$2.6 billion

FY20 - \$2.66 billion

National Highway Freight Program

National Highway Freight Program

- Funded at \$6.3 billion over 5 years (via formula)
- Program goals include:
 - Improve safety, security, efficiency, and resiliency of freight transport in rural & urban areas
 - Using innovation & advanced tech, improve safety, efficiency, reliability of NHFP

National Highway Freight Program

- Safety-related eligible projects include:
 - ITS to improve flow of freight
 - Railway-highway grade separation
 - Truck-only lanes
 - Climbing and runaway truck lanes
 - Adding or widening of shoulders

National Highway Freight Program

- Eligible projects include:
 - Work zone management and info systems
 - ITS that increases truck freight efficiencies within multimodal facilities
 - Additional road capacity to address highway freight bottlenecks
 - Physical separation of passenger vehicles from commercial motor freight

Nationally Significant Freight & Highway Projects

Nationally Significant Freight & Highway Projects

- Funded at \$4.5 billion over 5 years (competitive grant program)
- Funding for megaprojects:
 - Highway and bridge projects
 - Railway-highway at-grade crossing projects & grade separation projects
 - Eligible applicants include: states, large MPOs, local governments, tribal governments & port authorities
 - Joint decision-making process between DOT and Congress

What's Next on the Hill?

- Transportation Committee will use next 5 years to work on HTF funding solution for next highway bill.
 - Gas and diesel tax increases?
 - Mileage-based user fee?
 - Move to per barrel oil tax?
 - More GF transfers?
 - Something shiny and new?

Key Transportation Legislators

- U.S. House of Representatives
 - Rep. Barbara Comstock (R-VA)
 - T&I
 - Rep. Donna Edwards (D-MD)
 - T&I
- U.S. Senate
 - Sen. Ben Cardin (D-MD)
 - EPW and Finance
 - Sen. Tom Carper (D-DE)
 - EPW and Finance

MATRIX OF ILLUSTRATIVE SURFACE TRANSPORTATION REVENUE OPTIONS

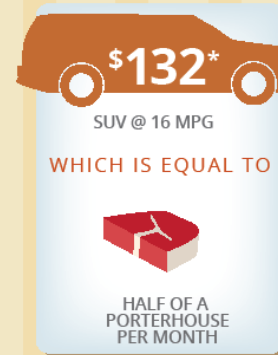
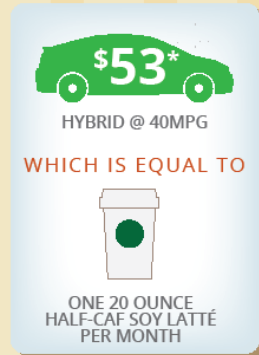
All revenue estimates in millions of dollars

Funding Mechanisms	Mechanism Yield		Illustrative Rate	Revenues 2014	Average	Total
	2014				Revenues	Revenues
				2014	2015-2020	2015-2020
Container Tax	\$1.00 per TEU =	\$ 421	\$15.00	\$ 6,317	\$ 6,893	\$ 41,361
Customs Revenues (Partial Dedication)	1.0% of Receipts =	\$ 357	1.0%	\$ 357	\$ 408	\$ 2,451
Drivers License Surcharge (Annual)	\$1.00 Surcharge =	\$ 222	\$5.00	\$ 1,109	\$ 1,154	\$ 6,926
Excise Tax on Diesel (Increase)	1¢ per Gallon =	\$ 399	15.0¢	\$ 5,983	\$ 6,480	\$ 38,877
Excise Tax on Diesel (Indexing)		n/a		\$ 440	\$ 1,031	\$ 6,183
Excise Tax on Gasoline (Increase)	1¢ per Gallon =	\$ 1,282	10.0¢	\$ 12,823	\$ 13,367	\$ 80,202
Excise Tax on Gasoline (Indexing)		n/a		\$ 1,046	\$ 2,384	\$ 14,303
Freight Bill - All Modes	1.0% of Sales =	\$ 8,318	1.0%	\$ 8,318	\$ 9,236	\$ 55,415
Freight Bill - Truck Only	1.0% of Sales =	\$ 7,221	1.0%	\$ 7,221	\$ 8,018	\$ 48,110
Freight Charge - All Modes (Ton)	1¢ per Ton =	\$ 180	25.0¢	\$ 4,492	\$ 4,988	\$ 29,929
Freight Charge - All Modes (Ton-Mile)	1¢ per Ton-mile =	\$ 47,530	0.5¢	\$ 23,765	\$ 26,389	\$ 158,334
Freight Charge - Truck Only (Ton)	1¢ per Ton =	\$ 124	25.0¢	\$ 3,098	\$ 3,440	\$ 20,641
Freight Charge - Truck Only (Ton-Mile)	1¢ per Ton-mile =	\$ 13,911	0.5¢	\$ 6,956	\$ 7,724	\$ 46,342
Harbor Maintenance Tax (Increase)	0.1% Tax =	\$ 1,331	0.5%	\$ 6,657	\$ 7,264	\$ 43,584
Heavy Vehicle Use Tax (Increase)	100% Increase =	\$ 852	15.0%	\$ 128	\$ 163	\$ 977
Imported Oil Tax	\$1.00 per Barrel =	\$ 3,528	\$1.00	\$ 3,528	\$ 3,528	\$ 21,171
Income Tax - Business (Partial Dedication)	0.1% of Current Taxes =	\$ 440	1.0%	\$ 4,396	\$ 4,847	\$ 29,082
Income Tax - Personal (Partial Dedication)	0.1% of Current Taxes =	\$ 1,508	1.0%	\$ 15,084	\$ 18,393	\$ 110,356
Oil, Gas, Minerals Lease - Rent, Bonus, and Other Income (Partial Dedication)	1.0% of GF Revenues =	\$ 15	50.0%	\$ 750	\$ 750	\$ 4,500
Oil, Gas, Minerals Lease - Royalties (Partial Dedication)	1.0% of GF revenues =	\$ 55	50.0%	\$ 2,750	\$ 2,750	\$ 16,500
Registration Fee on Light Duty Vehicles (Annual)	\$1.00 Fee =	\$ 259	\$10.00	\$ 2,594	\$ 2,731	\$ 16,387
Registration Fee on Trucks (Annual)	\$1.00 Fee =	\$ 9	\$15.00	\$ 131	\$ 133	\$ 797
Sales Tax on Auto-related Parts and Services	1.0% of Sales =	\$ 2,567	1.0%	\$ 2,567	\$ 2,883	\$ 17,299
Sales Tax on Fuel - Diesel	1.0% of Sales =	\$ 1,253	11.0%	\$ 13,782	\$ 15,839	\$ 95,033
Sales Tax on Fuel - Gasoline	1.0% of Sales =	\$ 3,711	8.0%	\$ 29,686	\$ 31,126	\$ 186,753
Sales Tax on New and Used Light Duty Vehicles	1.0% of Sales =	\$ 2,619	1.0%	\$ 2,619	\$ 2,619	\$ 15,715
Sales Tax on New Light Duty Vehicles	1.0% of Sales =	\$ 1,625	1.0%	\$ 1,625	\$ 1,625	\$ 9,752
Sales Tax on Trucks and Trailers (Increase)	1.0% of Sales =	\$ 268	5.0%	\$ 1,340	\$ 1,677	\$ 10,062
Tire Tax on Light Duty Vehicles	\$1.00 Fee =	\$ 195	\$3.00	\$ 584	\$ 615	\$ 3,687
Tire Tax on Trucks (Increase)	100% Increase =	\$ 434	10.0%	\$ 43	\$ 54	\$ 326
Vehicle Miles Traveled Fee on Light Duty Vehicles (All Miles)	1¢ per VMT =	\$ 26,891	2.0¢	\$ 53,781	\$ 55,852	\$ 335,111

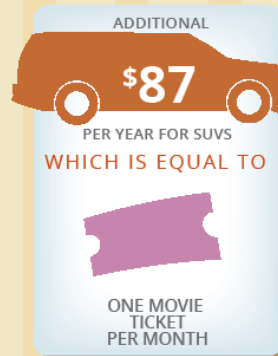
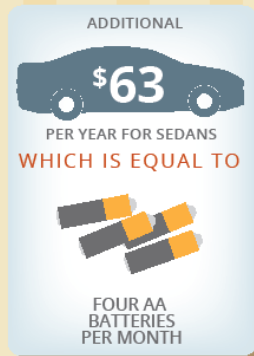
SMALL CHANGE

American drivers pay an average \$94 a year to access over 11,618 miles of highways, roads and bridges. These funds come from a modest 18.4¢ per gallon tax on each gallon of gasoline. Since the gas tax hasn't changed since 1993 and the cost of building and maintaining roads has risen, the Highway Trust fund is slowly going in the red. With a growing number of potholes, cracked roads and traffic jams plaguing America, we need a common-sense and responsible way to pay for improving our infrastructure.

AVERAGE ANNUAL FUEL TAXES PAID BY PASSENGER VEHICLES



HOW WILL A 12¢ INCREASE IN THE GAS TAX IMPACT DRIVERS?



The Murphy-Corker Proposal:
an effective and responsible way
to save the Highway Trust Fund

NSSGA
NATIONAL STONE, SAND
& GRAVEL ASSOCIATION

Questions?