



For Release:
Thursday, May 11, 2017

MOVING FORWARD LAUNCHES PHASE TWO OF TRANSIT FUNDING STUDY
University of Tennessee Boyd Center for Business & Economic Research to conduct work

NASHVILLE – Moving Forward today announced that the Revenue and Finance Task Force has begun phase two of its analysis of potential funding sources for transit projects in Middle Tennessee.

With the IMPROVE Act passed by the Tennessee General Assembly and signed into law by Gov. Bill Haslam, Moving Forward believes it is important for the region to better understand what local funding sources will be viable options to fund the \$6 billion, 25-year regional *nMotion* transit plan.

“Now that we know what potential funding sources are available to local communities for transit through the IMPROVE Act, the time is right to dig deeper into studying their revenue potential,” Don Abel, chairman of the Moving Forward Revenue and Finance Task Force, said.

Last November, Moving Forward recommended seven possible revenue sources for further study. Following passage of the IMPROVE Act, the phase two revenue study will examine four potential local revenue sources: property tax, sales tax, hotel/motel tax and wheel tax. While property tax was not included in the IMPROVE Act, local governments in Tennessee already have the authority to increase the property tax rate. The study will provide estimates for those four potential sources in the 10-county Middle Tennessee region.

Moving Forward has chosen the Boyd Center for Business and Economic Research at the University of Tennessee, Knoxville, led by Bill Fox, to conduct the work.

“Dr. Fox and his team do great work and have a lot of experience analyzing both tax and transportation issues in Tennessee,” Mary Cavarra, co-chair of the Moving Forward Revenue and Finance Task Force, said. “We are excited to partner with them on this important project.”

The study will provide multiple scenarios of 30-year revenue projections for each of the four funding sources, based on a range of tax rates and will include an additional scenario assuming the impact of significant technological changes, such as autonomous vehicles.

-more-

m v i n g f o r w a r d

transit solutions for our region

“With the significant growth happening in Middle Tennessee, transportation is one of the region’s biggest challenges and opportunities,” Fox, the Boyd Center’s director, said. “Moving Forward’s work to provide this economic information to local decision makers is important, and we’re glad to be a part of it.”

The study is expected to be completed by early fall.

###

For more information contact:

Alexia Poe

alexia@poeconsulting.org

615-948-9339