STATES TO WATCH IN 2017
TRANSPORTATION FUNDING

Tuesday, Feb. 7, 2 p.m. EST | FREE CSG eCademy Webinar
Agenda

• National Outlook: Alison Premo Black, American Road & Transportation Builders Association

• Indiana: Kaitlin Lange, Evansville Courier & Press

• New Mexico: Andy Lyman, New Mexico Political Report

• Oregon: Gordon Friedman, The Oregonian

• Tennessee
States to Watch in 2017: Transportation Funding
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www.transportationinvestment.org
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.
Source: ARTBA analysis of the FAST Act. Project costs are expected to grow in line with historical averages according to the ARTBA price index, which takes into account changes in material prices, industry wages and overall inflation. Inflation forecast of 2% from CBO’s August 2015 report An Update to the Budget and Economic Outlook: 2015 to 2025.
In January 2017, nine states introduced 22 transportation funding bills
States Introduced 93 Transportation Funding Bills in 2016

Source: TIAC™ State Funding Initiatives Report, November 2015
One State Approved State Motor Fuel Tax Increases in 2016

Source: TIAC™ State Funding Initiatives Report, October 2016
Two States Approved Transportation Lockboxes in 2016

Source: TIAC™ State Funding Initiatives Report
Nine states approved one-time funding measures in 2016

Source: TIAC™ State Funding Initiatives Report
27 States & DC Have Increased Motor Fuel Related Taxes 44 Times Since 1997

Approved 2013-2016
Approved Prior to 2013
Political Party of Legislature and Governor where State Gas Tax Increases were passed since 1997

- **Democrat Leg & Gov**: Blue
- **Republican Leg & Gov**: Red
- **Different Parties**: Brown

States with Democrat Leg & Gov: OR, WA, CA, ID, NV, UT, CO, WY, AK, HI, DE

States with Republican Leg & Gov: MT, ND, SD, NE, KS, MN, IA, WI, MI, OH, PA, VA, NC, GA, FL, ME, VT, MA, NH, RI, CT, MD, DC

States with Different Parties: WA, OR, ID, NV, UT, CO, WY, AK, HI, DE, MT, ND, SD, NE, KS, MN, IA, WI, MI, OH, PA, VA, NC, GA, FL, ME, VT, MA, NH, RI, CT, MD, DC
Analysis Shows Gas Tax Supporters Not Hurt at the Ballot

2016 Primary results confirm voting for a gas tax increase is not politically toxic.

Of legislators that voted in favor of a gas tax increase in 2015 and ran for reelection in the 2016 primaries, 98 percent of Republican and Democratic lawmakers who supported the bill won their primary race.

State Lawmakers Who Won 2016 Primaries After Voting on 2015 Legislation to Increase State Gas Tax to Support New Transportation Investments

Source: ARTBA-TIAC, “2016 Primary Results Confirm Gas Tax Increase Vote Not Politically Toxic”
Voters Approve $203B in Transportation Funding - Nov 8

Source: ARTBA TIAC™ Research, Updated November 15, 2016
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States to Watch in 2017: Transportation Funding

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Statehouse Reporter
State to Watch in 2017: Transportation Funding

Andy Lyman
Reporter

NM POLITICAL REPORT
State to Watch in 2017: Transportation Funding

Gordon Friedman
Statehouse Reporter
States to Watch in 2017: Tennessee

- $10 billion backlog of road projects
- Haslam’s plan: 7-cent gas tax hike, 12-cent diesel tax hike, new fees on electric vehicles and rental cars, registration fee increases.
- Haslam’s plan: index gas tax to CPI
- Haslam’s plan: $227 million for TDOT, $78 million for counties, $39 million for cities
- Haslam’s plan: allow cities to hold sales tax referenda to fund transit
- Haslam’s plan: tax cuts to offset increases
States to Watch in 2017: Tennessee

- Hawk plan: would not increase the gas tax
- Hawk plan: would take a quarter of 1% of state’s 7 percent sales tax from general fund
- Hawk plan: $33 million less for TDOT
- Other rival proposals: earmarking general fund dollars for infrastructure projects; tapping a $1 billion state surplus
States to Watch in 2017: Transportation Funding

- **Alaska**: Proposal to triple gas tax
- **South Carolina**: 10 cent gas tax increase
- **Arizona**: special task force in 2016; 10 cent gas tax increase proposed
- **Louisiana**: special task force in 2016
- **Colorado**: sales tax increase or transfers from other areas of the budget
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