

# MEMORANDUM

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**DEPARTMENT OF TRANSPORTATION**

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**DATE:** 17 August 2011  
**TO:** Transportation Commissioners  
**FROM:** Herman Stockinger, Director, Office of Policy and Government Relations  
**RE:** Financial Information on State Departments of Transportation

In response to inquiries from the Transportation Commission about transportation funding methods of state Departments of Transportation, DTD staff reviewed state transportation ballot issues and enacted state legislative transportation bills from 2010 back to 2008. OFMB staff examined transportation funding for Colorado, its neighboring states, and for Georgia and Florida.

Bills or ballot issues that were limited to design-build, public private partnerships, and bond issues were not included in the ballot issue and legislative bill research because CDOT already has the ability to use those financing methods. Summaries of the research are attached in two charts entitled *State Transportation Ballot Issues: 2010-2008* and *Enacted State Transportation Bills: 2010-2008*.

## **Ballot Issues**

Of the eight ballot issues reviewed, only one passed. The successful measure eliminated California's authority to use state fuel tax revenues to pay debt service on transportation bonds and to use vehicle license fee revenues for anything other than transportation.

The ballot issues that failed included such ideas as a temporary, 10-year transfer of funds to a road and bridge construction fund from a fund to which oil and gas royalties are funneled in Alabama; two that proposed surcharges on either vehicle license fees or annual motor vehicle fees for state parks and wildlife refuges in California and trauma care in Georgia; and two severance tax ballot issues and another issue that would have reduced or eliminated taxes and fees on vehicle purchases, registrations, leases and rentals over a four-year period in Colorado.

## **State Bills**

In the state legislatures, legislators were aware of financial straits facing transportation, as evidenced by the introduction of about 220 separate bills. Of the bills introduced, 29 transportation funding bills passed the state legislatures and were enacted. One of the more ambitious ones was a wide-ranging transportation program called Transportation Works for Kansas using hikes in vehicle registration fees based on weight of vehicles to pay for it. The Kansas bill also allows transfers for transit, rail, and aviation from the State Highway Fund

beginning in 2013. Increased registration fees also were among the funding methods in Colorado (for FASTER), Idaho, Illinois, Iowa, Nebraska, and Oregon.

Other types of transportation funding permitted or increased included:

- Motor fuel taxes: Four states - Idaho, Indiana, Nebraska, and Rhode Island – increased their motor fuel taxes statewide, while Kentucky prevented the state gasoline tax from dropping 4 cents per gallon by keeping it at the same level of 22.5 cents per gallon. Idaho's increase came from eliminating the 10 percent (2.5 cents per gallon) tax exemption for biodiesel and gasohol.
- Motor vehicle sales and lease taxes: Louisiana approved gradually increasing the percentage of motor vehicle sales taxes going for transportation through 2014, when the percentage will be at 100 percent.
- Sales tax for transit: California, Georgia, Illinois, and North Carolina all approved sales tax increases or time extensions for transit.

Other transportation funding methods were:

- Indexing toll rates to the Consumer Price Index in Florida.
- Raising fees for a number of Division of Motor Vehicle services, with the additional revenues to go to state highways, in Idaho.
- Privatizing rest areas in Arizona.
- Tying the motor fuel tax rate to the rate of inflation and adjusting the gas tax rate annually in Vermont.

## **Financing Mechanisms**

The chart entitled *Comparison of Funding Sources for Transportation in Selected States* shows various transportation finance categories for Colorado, for its neighboring states, and for Florida and Georgia. Items of interest include:

- Colorado, Arizona, New Mexico, Utah, Wyoming, Florida and Georgia all have some ability to issue bonds. The Colorado and Georgia DOTs contain enterprises or authorities which may issue revenue bonds on their own behalf. Florida must request the Division of Bond Finance to issue bonds. In Arizona, New Mexico, Utah, and Wyoming, the State Treasurer or the state Departments of Finance issue the bonds for the DOTs.
- The state constitutions of Colorado, Arizona, Kansas, Wyoming, and Georgia require the dedication of user fees for transportation.
- States with higher base gas taxes than Colorado (\$0.22/gal gasoline; \$0.205/gal diesel) are Kansas (\$0.26/gal gasoline; \$0.22/gal diesel), and Utah (\$0.245/gal gasoline and diesel). However, Nebraska supplements its fixed rate of \$0.103/gal with a wholesale tax of 5 percent, based on gas prices, which currently equals ~\$0.264/gal, and Florida supplements its fixed rate of \$0.122 with a Consumer Price Index--indexed rate that varies by county

and ranges between \$0.29 and \$0.35/gal.

- Colorado has the highest base registration fee at \$59 (including FASTER), and additionally has a specific ownership tax. The ownership tax does not go for transportation. Arizona, Kansas, Nebraska, New Mexico, Wyoming and Georgia all have value-based property taxes, similar to the specific ownership tax, all of which fund local governments. In New Mexico, vehicle property taxes are used for local and state highway purposes.
- Colorado, New Mexico, and Wyoming are the only states researched that make no appropriation from the General Funds, or state sales tax revenues, to fund transportation. Arizona received a \$54,600 General Fund appropriation in FY 2011, but that may not be a normal funding stream for the state.
- In other sources of revenue, Utah received \$52 million in mineral lease revenues and \$35.4 million in charges for services and royalties in FY10; Wyoming, \$72 million in severance taxes and mineral royalties; and Florida, \$600 million in toll revenues, as well as documentary stamp taxes and rental car taxes.

Overall, Colorado seems to be fairly well in the middle on most issues in comparison to our neighbors. While some states have lower fuel taxes, others are able to charge more. It is interesting to note that most indexing is to fuel costs, which if set in the wrong environment, could result in less revenue instead of more.

# Comparison of Funding Sources for Transportation in Selected States

7/21/2011

## Colorado and Neighbor States

State	Can General Assembly raise taxes?	Bonding Authority	Are User fees dedicated to Transportation?	Fuel Tax Components			Vehicle/License Fees/Taxes		General Purpose Revenue		Other Sources	Decision Making Structure
				Fixed	Indexed	Total tax incl. local taxes	Aggregate	Per Vehicle	Sales Taxes	Other Appropriations		
Colorado	no	Enterprise Divisions may issue revenue bonds; otherwise a statewide vote of the people per Article X, §20	Yes, Article X, Section 18 and through the statutory Highway User Tax Fund (HUTF) mechanism	\$0.22 per gallon gasoline, \$0.205 per gallon diesel	none	\$0.22 per gallon gasoline, \$0.205 per gallon diesel. No local fuel taxes	\$390 million split between CDOT, counties, municipalities per statutory formulas	Specific ownership taxes at <= 1.785% of MSRP funds local government operations & reduces political capacity for transportation funding; registration fees >= \$59	none	none	Interest on investments, property sales, overweight/pvsize permits, access permits	Policy and funding allocations made by Governor-appointed Transportation Commission
Arizona	yes, with supermajority of both houses (Article IX, Section 22)	§ 28-7706 gives broad authority to ADOT to issue revenue bonds	Article IX, Section 14 is similar to Colorado's Article X, Section 18, specific exception for the automobile license tax. Highway User Revenue Fund distributes fuel tax and other fee revenues to ADOT and local govts; similar to HUTF	\$0.18 per gallon (gasoline); \$0.26 per gallon (diesel)	none	\$0.18 per gallon (gasoline); \$0.26 per gallon (diesel). No local fuel taxes	\$720 million in annual Vehicle License Taxes distributed to ADOT and local governments for highway and General Fund purposes	Vehicle License Tax (equivalent to Colorado SOT) at <=1.68% of MSRP; Registration fee \$8	none	\$54,600 GF appropriation in FY 2011	Through the State Transportation Board ADOT is authorized to issue revenue bonds	State Transportation Board is similar to CO Commission
Kansas	yes	Kansas legislature enacts authorization for specific bond issuances in §68-23	yes, Article XI, Section 10	\$0.26 per gallon (gasoline); \$0.22 per gallon (diesel)	none	\$0.26 per gallon (gasoline); \$0.22 per gallon (diesel). No local fuel taxes	KDOT receives roughly \$160 million per year in registration/driver's license fees	Motor Vehicle Property Tax depends on county property tax rate, averaged 3.76% of depreciated value in 2009. Registration fees \$39	KDOT receives a variable percentage of state sales and use tax collections	none	Debt financing; \$1.5 billion in last 10 years	Budget approved by the legislature, projects selected by the Secretary of Transportation
Nebraska	yes	no statutory authority for highway bonds	No constitutional protection. Fuel taxes, registration fees, and sales taxes on motor vehicles are distributed to NDOR, cities, and counties through a Highway Trust Fund similar to HUTF	\$0.075 to NDOR, \$0.028 shared by cities and counties (gasoline and diesel)	Wholesale tax at 5% of 6-month price paid by State of Nebraska for fuel, adjusted twice annually.	Total fuels tax is \$0.264 per gallon. No local fuel taxes	\$61.2 million in registration revenues in FY 2010, split 53.3% to NDOR, 23.3% to cities, 23.3% to counties	Motor Vehicle Tax at appx <= 1.5% of MSRP; \$24 cumulative registration fees; appx <= \$20 motor vehicle fees	\$150.5 million in sales taxes on motor vehicles split split 53.3% to NDOR, 23.3% to cities, 23.3% to counties	none	Miscellaneous revenue comparable to CDOT's, i.e. interest on investments, sale of surplus property, over weight / size permits and fines, etc.	Projects are selected by each District Engineer and NDOR management. Nebraska's Highway Commission serves as advisory capacity only to the Governor.
New Mexico	yes	Statutory authorization to issue bonds in §67-3-59	No constitutional protection.	\$0.17 per gallon gasoline (\$0.13 to NMDOT); \$0.21 per gallon diesel (\$0.19 to NMDOT)	none	\$0.17 per gallon gasoline, \$0.21 per gallon diesel, no local fuel taxes	Registration fees are a source of revenue for NMDOT	Vehicle excise tax of 3.0% of depreciated value of vehicle. \$33 total registration fees	none	none	Weight distance taxes	NM Transportation Commission develops budget, appropriated by NM legislature
Utah	yes	Utah Dept. of Finance authorized to issue bonds (incl. highway bonds) under Title 63B.	No constitutional protection. Statutory distribution of user fees similar to HUTF (off-the-top then split to DOT and locals)	\$0.245 per gallon (gasoline and diesel)	none	\$0.245 per gallon (gasoline and diesel). No local fuel taxes	FY 2010 revenue sources included \$160m in licenses, permits, and fees	Vehicle age-based fee of <= \$150; Weight-based registration fee of \$41 for most passenger vehicles	Utah has a statutory sales tax for transportation. \$300m to UDOT in FY 2010	UDOT received a small (\$900k) General Fund appropriation in FY 2010	UDOT's FY 2010 revenue sources included \$900m in bond proceeds, \$52m in mineral lease revenue, and \$35.4 million in charges for services & royalties	Utah has a Transportation Commission similar to Colorado
Wyoming	yes	State Treasurer authorized in Title 24, Chapter 8 to issue highway bonds	yes, Article XV, Section 16	\$0.14 per gallon (gasoline and diesel)	none	\$0.14 per gallon (gasoline and diesel). No local fuel taxes	\$59 million per year (10.7% of FY 2011 budget)	Registration fee \$15 plus <= 1.8% of MSRP	none	none	\$72 million in severance taxes and mineral royalties (13.1% of FY 2011 budget)	Wyoming Transportation has similar roles and duties to CO Commission

## Selected Other States

State	Can General Assembly raise taxes?	Bonding Authority	Are User fees dedicated to Transportation?	Fuel Tax Components			Vehicle/License Fees		General Purpose Revenue		Other Sources	Decision Making Structure
				Fixed	Indexed	Total tax incl. local taxes	Aggregate	Per Vehicle	Sales Taxes	Other Appropriations		
Florida	yes	Sections 215.60 and 215.605 authorize highway bonds	No constitutional protection; \$125m of transportation revenue transferred to state General Fund in FY 2010. State Transportation Trust Fund has similar revenue components as HUTF but not shared with locals	\$0.122 per gallon (gasoline and diesel)	State Comprehensive Enhanced Transportation Tax (currently \$0.068 per gallon) a CPI-indexed additional fuel tax varying by county.	\$0.30 per gallon diesel, \$0.29 - \$0.35 gasoline varying by county	Roughly \$600 million per year (23% of FY 2011 budget)	Taxes and fees \$46 - \$71 per year depending on weight	Local Option for Counties	none	\$600m in annual toll revenues (8% of FY 2011-15 work program); documentary stamp taxes; rental car taxes; county and municipal fuel taxes	Florida Transportation Commission is roughly equivalent to CO Commission
Georgia	yes	Article VII, Section IV (I) (c) authorizes GO bonding for highways & other state property. § 32-10-90 authorizes the Georgia State Road & Tollway Authority to issue revenue bonds	Article III, Section IX, Paragraph VI reserves motor fuel tax proceeds for public highways and bridges.	\$0.075 per gallon (gasoline and diesel)	Indexed tax of 4% of statewide average retail price converted to cpg excise tax, updated twice yearly, 1.0% to General Fund	Approximately \$0.217 per gallon	License/registration fees do not appear to be a funding source for GDOT	Vehicle ad valorem tax, appx. 2-4% of depreciated value, varies geographically	Local Option for Counties, 1.0% sales tax in metro Atlanta for MARTA	\$6.6 million (0.3% of FY 11 budget) for intermodal projects	General Obligation Bonds (\$12m or 0.6% of FY 2011 budget)	Gov-appointed Director of Planning selects projects, approved by board appointed by legislature

## State Transportation Ballot Issues: 2010 - 2008

State	2010			2009			2008		
	Y%	N%	Summary	Y%	N%	Summary	Y%	N%	Summary
Alabama		X 43- 57	<p><b>Legislative Referendum (Amendment 3) – 10 year road &amp; bridge and other transportation program</b></p> <p>The proposed state constitutional amendment would have allowed a 10-year \$100M-a-year transfer of funds from the Alabama Trust Fund (funded by oil and gas royalties) to a road and bridge construction program. The constitutional amendment also would have allowed for a transfer of funds to the County and Municipal Government Capital Improvement Fund.</p>						
California		X 42.7- 57.3	<p><b>Initiative (Proposition 21) - \$18 annual vehicle license surcharge for parks and wildlife</b></p> <p>An annual \$18 vehicle license surcharge to help fund State Parks and Wildlife programs would have been assessed and free admission to all state parks granted to those vehicles for which the surcharge was paid. Proceeds from surcharge would have been distributed in this way: administrative costs (1%); operations, maintenance and development of state parks (85%); and management and operation of wildlife refuges, ecological reserves and other lands operated by the Department of Fish and Game (7%). Remaining 7% unspecified.</p>						
California	X 64-35		<p><b>Initiative (Proposition 22) – Prohibits state from taking funds for transportation or local government projects or services</b></p> <p>This constitutional amendment reduces or eliminates the state’s authority to use state fuel tax revenues to pay debt service on state transportation bonds (including those that have already been issued) and to use vehicle license fee revenues to reimburse local governments for state mandated costs, among other measures.</p> <p>California now has to pay about \$1B of annual bond costs from the General Fund rather than from transportation accounts, thereby reducing the amount</p>						

## State Transportation Ballot Issues: 2010 - 2008

State	2010			2009			2008		
	Y%	N%	Summary	Y%	N%	Summary	Y%	N%	Summary
			of General Fund resources the state has available for non-transportation purposes due to passage of the proposition.						
Colorado		X 32.3- 77.7	<p><b>Initiative (Proposition 101) – Income, motor vehicle and telecommunications taxes and fees</b></p> <p>State statutes would have been amended to reduce the state income tax; reduce or eliminate taxes and fees on vehicle purchases, registrations, leases, and rentals over the next four years; eliminated all state and local taxes and fees on telecommunications services, except 911 fees; and required voter approval to create or increase vehicle and telecommunication service fees.</p> <p>The state transportation budget would have been reduced an estimated 28 percent through reductions in vehicle-related fees.</p>					X 35.7- 64.3	<p><b>Initiative (Amendment 52) – Use of severance tax revenue for highways</b></p> <p>The proposed state constitutional amendment would have, if passed, required the state legislature to spend a portion of state severance tax collections on highway projects; limited the amount the state legislature could spend of the severance tax revenues to the prior year’s amount plus inflation (with an adjustment if severance tax collections decreased); and shifted annual state program funding from the severance tax from \$181M to \$91M, with the remaining \$89M for highways, primarily for relieving congestion on I-70. It would have continued the requirement in existing state law that half the severance tax revenues should go to local governments impacted by the mineral extraction industry – either directly based on mining activity in the area or through competitive loans or grants.</p>
Colorado								X 42.1- 57.9	<p><b>Initiative (Amendment 58) – Severance taxes on oil and natural gas industry</b></p> <p>The initiative would have increased state severance taxes that oil and natural gas companies pay to the state, primarily by eliminating an existing state tax credit. Other changes would have increased the number of smaller oil and gas wells subject to the tax and changed the tax rate on oil and gas companies from 2-5 percent, depending on income, to a flat 5 percent rate for companies earning \$300,000 annually or more. The changes could have resulted in \$321M more from the severance tax in 2010. The increased severance tax revenue would have been allocated to college</p>

## State Transportation Ballot Issues: 2010 - 2008

State	2010			2009			2008		
	Y%	N%	Summary	Y%	N%	Summary	Y%	N%	Summary
									scholarships for state residents (60 percent), wildlife habitat (15 percent), renewable energy projects (10 percent), transportation projects in energy-impacted areas (10 percent), and water treatment grants (5 percent).
Georgia		X 47.4- 52.6	<b>Legislative referendum (Amendment 2) –\$10 trauma charge to annual motor vehicle fees</b> This referred proposed state constitutional amendment would have imposed a \$10 “trauma charge” on each motor vehicle designed to carry 10 or fewer persons, including pickups, motorcycles, sport utility vehicles, and passenger vans. The trauma charge would have been collected at the same time as license tags and registration fees. Proceeds of the trauma charge would have been placed in a trauma trust fund and used for trauma care purposes. Leftover funds at the end of the fiscal year would have remained in the trust fund.						
Maine					X 25.9- 74.1	<b>Initiative (Question 2) – Decrease automobile excise tax and promote energy efficiency</b> The ballot initiative would have decreased the excise tax imposed on motor vehicles over time and exempted from the excise tax the first three model years of a hybrid gasoline-electric vehicle, a fuel-cell –fueled vehicle, a hydrogen-fueled vehicle, or a highly efficient vehicle with a highway fuel economy estimate of 40 miles per gallon. After the first three years, the excise tax would be the same as other vehicles of the same age. The bill also would have exempted from the sales tax 100% of the sale or lease price of the same type of vehicles listed above. Estimated impact of the initiative was a total tax revenue reduction of 40-50 percent.			

Sources: National Conference of State Legislatures, <http://ecom.ncsl.org/ncslldb/>; Pew Center on the States, <http://www.cfte.org/success/>; <http://archive.stateline.org/flash-data/2008ElectionsGuide/ElexGuide08.swf>; <http://archive.stateline.org/flash-data/2009ElectionsGuide/ElexGuide09.swf>; <http://archive.stateline.org/flash-data/2010ElectionsGuide/ElexGuide10.swf>; and Center for Transportation Excellence, <http://www.cfte.org/success/2008BallotMeasures.asp>; <http://www.cfte.org/success/2009BallotMeasures.asp>; <http://www.cfte.org/success/2010BallotMeasures.asp>

## Enacted State Transportation Bills: 2010 - 2008

<i>State</i>	<i>2010</i>	<i>2009</i>	<i>2008</i>
	<i>Bill Name and Summary</i>	<i>Bill and Summary</i>	<i>Bill Name and Summary</i>
<b>Alabama</b>	<p><b><i>SB 121 – Transportation Appropriations</i></b>                      Bill amends the state constitution to transfer \$100M a year for a 10-year period for a road and bridge construction program funded with appropriations from the Alabama Trust Fund. (Oil and gas royalties are funneled into the Alabama Trust Fund; the state invests the proceeds.) The constitutional amendment also allows for a transfer of funds to the County and Municipal Government Capital Improvement Fund. (In 2010, voters defeated the constitutional amendment.)</p>		
<b>Arizona</b>			<p><b><i>SB 1466 – Other Funding Mechanisms</i></b>                      The bill allows Arizona DOT to privatize all rest areas in the state.</p>
<b>Arkansas</b>		<p><b><i>HB 1551 – Other Funding Mechanisms</i></b>                      The Blue Ribbon Committee on Highway Finance is created under this bill to explore possible revenue and financing options for Arkansas. Legislators asked the committee to recommend plans to secure \$300M per year in new transportation funding.</p>	
<b>California</b>		<p><b><i>AB 3c – Other Funding Mechanisms, registration fees</i></b>                      The bill temporarily increases the rate of the General Fund portion of the state sales and use tax by 1 percent, from the then-current rate of 5 percent to a rate of 6 percent, and temporarily increases the rate of the vehicle license fee from the current rate of 0.65 percent of the value of a vehicle to a rate of 1.15 percent, except for commercial vehicles with a gross weight of 10,000 pounds or more. Both measures expire June 30, 2012.</p>	<p><b><i>AB 2321 - Bonding and debt instruments, sales tax</i></b>                      This bill changes the law concerning the Los Angeles County Metropolitan Transportation Authority. The Authority can now impose a transactions and use tax at the rate of 0.5 percent for 30 years, rather than just 6.5 years, and to issue bonds for funding, something that it had been prohibited from doing previously.</p>

## Enacted State Transportation Bills: 2010 - 2008

<i>State</i>	<i>2010</i>	<i>2009</i>	<i>2008</i>
	<i>Bill Name and Summary</i>	<i>Bill and Summary</i>	<i>Bill Name and Summary</i>
<b>Colorado</b>		<p><b><i>SB 108 (FASTER) - Bonding and debt instruments, other transportation fees, public private partnerships, registration fees</i></b></p> <p>The bill increases registration fees by \$31, which would be increased to \$41 in the next year. It increases the registration fees and fees on overweight and oversize vehicles and imposes a \$2 a day fee on rental cars. The bill provides \$10M annually to public-transportation projects. It creates a Statewide Bridge Enterprise that can enter into agreements to repair or replace bridges; enter into public-private partnerships to repair bridges; impose a bridge safety surcharge paid when vehicles are registered; issue revenue bonds; and receive loans to fix bridges. It creates the High-Performance Transportation Enterprise (HPTE) within Colorado DOT to seek private public partnerships and other innovative means for funding highway projects. The HPTE has the authority under the bill to evaluate whether a lease or sale of a transportation asset is in the best interest of the state.</p>	
<b>Florida</b>		<p><b><i>HB 1021 - Design-build, tolling</i></b></p> <p>The bill addresses many areas of the Florida Department of Transportation. Among other objectives, the bill sets a goal of procuring up to 25 percent of construction projects through design-build contracts, allows toll rates to be indexed to the Consumer Price Index, and removes some cost increase limits on Department of Transportation projects when funded by another government entity.</p>	
<b>Georgia</b>	<p><b><i>HB 277 - Sales tax, transit funding</i></b></p> <p>If approved by voters in a referendum, the measure would impose a 1 percent regional transportation sales and use tax for 10 years in 12 newly created special districts, with 25 percent of the proceeds going to the local governments within the special districts. Also, the bill creates a Transit Governance Study Commission that is required to prepare a preliminary report by Dec. 31, 2010, on the feasibility of</p>		

## Enacted State Transportation Bills: 2010 - 2008

<i>State</i>	<i>2010</i>	<i>2009</i>	<i>2008</i>
	<i>Bill Name and Summary</i>	<i>Bill and Summary</i>	<i>Bill Name and Summary</i>
	combining all the regional public transportation entities into an integrated regional transit body. The bill terminates the Metropolitan Atlanta Rapid Transit Authority board and institutes a new board.		
<b>Idaho</b>		<p><b><i>HB 334 - Other transportation fees, registration fees</i></b>                      The bill raises fees for Division of Motor Vehicle services. The fee increases include, but aren't limited to, issuing driver licenses; title transfers; furnishing copies of driver license records, title or registration records; replacing registration stickers; and issuance of assigned or replacement vehicle identification numbers. Funds from these fees will be deposited into the State Highway Account.</p>	
<b>Idaho</b>		<p><b><i>HB 338 - Motor fuel tax</i></b>                      The legislation eliminates the current 10 percent (2.5 cents/gallon) tax exemption for biodiesel and gasohol.</p>	
<b>Idaho</b>		<p><b><i>HB 376 - Other funding mechanisms</i></b>                      The bill changes the distribution percentages in the Highway Distribution Account from 57 percent to 62 percent for the State Highway Distribution Account. It also removes the 5 percent distribution to the Idaho State Police and the 3 percent distribution from the gas tax to the Idaho Department of Parks and Recreation.</p>	
<b>Illinois</b>			<p><b><i>HB 656 - Transit funding</i></b>                      This long-term mass transit funding bill provides free transportation to Illinois seniors and provides \$494M in new and recurring funding to Chicago Metro Area transit agencies operating out of the Chicago area through a 0.25 percent sales tax increase in the Chicago metro area.</p>

## Enacted State Transportation Bills: 2010 - 2008

<i>State</i>	<i>2010</i>	<i>2009</i>	<i>2008</i>
	<i>Bill Name and Summary</i>	<i>Bill and Summary</i>	<i>Bill Name and Summary</i>
<b>Indiana</b>			<p><b><i>HB 1001 - Motor fuel tax</i></b>                      The bill raises the retail sales and use tax on gas from 6 percent to 7 percent.</p>
<b>Iowa</b>			<p><b><i>SF 2420 - Other transportation fees, registration fees</i></b>                      This bill increases the motor vehicle and trailer registration fees and title fees. Title fees are based on the value of the vehicle. If the vehicle is more than 12 years old, then the registration fee is \$75. Title fees increase from \$10 to \$20 on all motor vehicles, and other trailer registration and motorcycle operators' license fees also go up. The use tax on leased vehicles is repealed. A 5 percent registration fee penalty for failing to register a motor vehicle after two months is imposed, with the penalty increasing by 5 percent each month.</p>
<b>Kansas</b>	<p><b><i>HB 2650 - Aviation development, bonding and debt instruments, design-build, registration fees, sales tax, transit funding</i></b>                      Establishes the Transportation Works for Kansas (T-Works) Program, which provides funds for preservation projects; expansion and economic opportunity projects; highway modernization; assistance to cities and counties; railroad, aviation, and public transit programs; and a multimodal economic development program to assist with transportation-sensitive economic opportunities. The bill increases revenues from hikes in vehicle registration fees of \$20-\$135 per vehicle, depending on vehicle weight. It provides for transfers from the State Highway Fund for transit, rail, and aviation beginning in 2013, as well as authorizes the transportation secretary to transfer funds from the State Highway Fund to the Rail Service Improvement Fund and vice versa. The bill requires the expenditure of \$8M in each county on transportation projects between July 1, 2010, and June 30, 2020. If a feasibility study indicates it</p>		<p><b><i>HB 2542 - Registration fees</i></b>                      The bill increases motor vehicle registration by \$4 in order to finance the integration and modernization of the Vehicle Information Processing System, the Kansas Drivers' License System, and the Kansas Vehicle Inventory System of the Division of Vehicles in the Department of Revenue.</p>

## Enacted State Transportation Bills: 2010 - 2008

<i>State</i>	<i>2010</i>	<i>2009</i>	<i>2008</i>
	<i>Bill Name and Summary</i>	<i>Bill and Summary</i>	<i>Bill Name and Summary</i>
	would be successful, the transportation secretary may recommend construction of a new toll or turnpike road.		
<b>Kentucky</b>		<b><i>HB 374 - Motor fuel tax</i></b> The bill freezes the state gasoline tax at 22.5 cents per gallon. The tax was set to fall by 4 cents on April 1, 2009.	
<b>Louisiana</b>			<b><i>SB 11 - Sales tax</i></b> Over the next five years, more vehicle sales tax and lease tax revenues will go toward transportation funding. In 2009 the dedication goes from 10 percent to 20 percent; in 2010, to 30 percent; in 2011, 50 percent; in 2012, 75 percent; in 2013, 85 percent; and in 2014, 100 percent of the vehicle sales and lease tax revenue will be dedicated to transportation.
<b>Michigan</b>			<b><i>HB 5582 - Aviation development, motor fuel tax</i></b> This bill raise the motor fuel tax 3 cents per gallon on all airline fuel for, among other things, acquiring, developing and operating airports in the state.
<b>Minnesota</b>			<b><i>HF 2800 - Motor fuel tax, transportation appropriations</i></b> The state transportation authorization bill includes a 5-cent per gallon gas tax increase and tax increases for other fuels while creating a motor fuel tax credit for lower-income people. The bill allows the seven-county Minneapolis/St. Paul metro area to raise the sales tax in order to pay for transportation needs. In addition, fees on leases and rental of vehicles increase from 3 percent to 5 percent of the sales price of the vehicle.
<b>Nebraska</b>		<b><i>LB 110 - Registration fees</i></b> The bill alters several components of the state's license plate laws. One provision raises the fees for personalized message	<b><i>LB 846 - Motor fuel tax</i></b> While this bill lowers the motor fuel tax on producers, suppliers, distributors, wholesalers, or importers from 10

## Enacted State Transportation Bills: 2010 - 2008

<i>State</i>	<i>2010</i>	<i>2009</i>	<i>2008</i>
	<i>Bill Name and Summary</i>	<i>Bill and Summary</i>	<i>Bill Name and Summary</i>
		plates by \$10 and directs the proceeds to the highway trust fund. The law also redirects some other revenues from specialty plates to the highway trust fund.	cents per gallon to 2.5 cents per gallon, it also imposes a 5 percent tax rate on the average price of wholesale gasoline. The excise tax for wholesale gasoline is set at 2.5 cents per gallon.
<b>Nevada</b>		<b><i>SB 201 - Motor fuel tax</i></b> The bill allows the Washoe County Board of County Commissioners to enact a gas tax increase of 2.0538 cents per gallon. It was passed by overriding the governor's veto. (Washoe County is where Reno is located.)	
<b>North Carolina</b>		<b><i>HB 148 - Transit funding</i></b> The bill lets three counties (Raleigh, Durham, and Chapel Hill) pay for transit improvements with a half-cent sales tax increase if the voters approve. It authorizes a sales tax for transit in every county except one, which already has a half-cent transit tax. Five urban counties could enact a half-cent sales tax, and 94 counties would have a quarter-cent sales tax option, but only for public transportation. The bill increases vehicle registration from \$5 to \$7, then up to \$8 by 2010. The bill also permits a property tax on Research Triangle residents of 10 cents per \$100 property valuation, if they approve.	
<b>North Dakota</b>		<b><i>SB 2012 - Other transportation fees, registration fees, transportation appropriations</i></b> The bill appropriates \$138M in state General Fund dollars on top of \$176M in one-time federal stimulus funding for a total of nearly \$315M. The legislation funds maintenance and enhancements of the state's infrastructure, as well as grants for immediate assistance to cities, counties, and townships working to address weather- and floor-related damage to their roads. The bill raises vehicle registration fees.	

## Enacted State Transportation Bills: 2010 - 2008

<i>State</i>	<i>2010</i>	<i>2009</i>	<i>2008</i>
	<i>Bill Name and Summary</i>	<i>Bill and Summary</i>	<i>Bill Name and Summary</i>
<b>Oregon</b>		<p><b><i>HB 2001 - Aviation development, bonding and debt instruments, congestion pricing, motor fuel tax, other transportation fees, registration fees, transit funding</i></b></p> <p>The bill starts a congestion pricing pilot project in the Portland area; requires the Oregon DOT to use a “least-cost planning model” for planning and developing transportation projects; and allows lottery bonds to be issued for transportation projects. The Oregon Transportation Commission must dedicate 5 percent of the lottery bond proceeds to develop rural airports and work with stakeholders to review and update the Statewide Transportation Improvement Program. The Oregon DOT must start a pilot project to contract for the maintenance of a segment of the state highway that is 10-30 miles long for at least six years. Registration and titling fees are raised effect Jan. 1, 2010. Fees on identification cards also are increased, and the gas tax is increased from 0.24 cents/gallon to 0.30 cents/gallon if economic conditions improve. Other transportation fees are increased. The bill also allows for the issuance of Highway User Tax Bonds to produce a net income of \$840M. Money is allocated to certain projects.</p>	
<b>Pennsylvania</b>			<p><b><i>HB 2522 - Transportation appropriations</i></b></p> <p>The bill authorizes the state to spend an additional \$350M in order to expedite the repair of 411 structurally deficient bridges and to spend \$15M on airport and rail projects.</p>
<b>Rhode Island</b>		<p><b><i>HB 5983 - Motor fuel tax</i></b></p> <p>The gasoline tax in the budget bill is raised by \$0.02 from \$0.30/gallon to \$0.32/gallon.</p>	

## Enacted State Transportation Bills: 2010 - 2008

<i>State</i>	<i>2010</i>	<i>2009</i>	<i>2008</i>
	<i>Bill Name and Summary</i>	<i>Bill and Summary</i>	<i>Bill Name and Summary</i>
Vermont		<p><b><i>HB 438 - Bonding and debt instruments, design-build, motor fuel tax, other transportation fees, transit funding, and transportation appropriations</i></b></p> <p>The bill makes certain transportation related appropriations for bridges, railroad infrastructure, public transit, and roadways. Beginning July 1, 2012, it ties the rate of inflation to the gas tax, with the gas tax rate adjusted every April. The transportation infrastructure bond fund is created, which is to consist of funds raised from the motor fuels distributor infrastructure assessments. Money from the fund can be used to pay off principal and interest related costs on construction projects and reconstruction of state bridges, culverts, roads, railroads, airports, and necessary buildings. The gas tax is raised \$0.05, which is credited to the transportation infrastructure bond fund. The state treasurer has the authority to issue bonds for transportation infrastructure purposes. For the FY 2010 fiscal year, the bill appropriates \$30M in transportation infrastructure bonds. The fee for special request license plates is increased to \$2,000 from \$1,000. The Vermont DOT also is allowed to use design build contracts to deliver projects.</p>	

Source: National Conference of State Legislatures Transportation Funding Database, <http://ecom.ncsl.org/programs/transportation/fundingdb.cfm?action=allresults>