

State Funding Initiatives Report

FEBRUARY 2015





ABOUT THE TRANSPORTATION INVESTMENT ADVOCACY CENTER (TIAC)

The Transportation Investment Advocacy Center ™ (TIAC) is a first-of-its kind, dynamic education program and internet-based information resource designed to help private citizens, legislators, organizations and businesses successfully grow transportation investment at the state and local levels through the legislative and ballot initiative processes.

The TIAC website, www.transportationinvestment.org, was created so transportation investment advocates do not have to "re-invent the wheel" to mount successful campaigns. It exists to put in one place—and promote the sharing of—strategies... sample political and communications tools... legislative and ballot initiative language... and information on where to obtain professional campaign advice, research and help. To subscribe to at no cost—and receive via email—the regularly updated TIAC blog, visit the website.

In addition to the website, the TIAC program includes an annual workshop in Washington, D.C., and ongoing webinars for transportation investment advocates featuring case studies, best practices, and the latest in political and media strategies. State and local chamber of commerce executives, state legislators, state and local transportation officials, "Better Roads & Transportation" group members, industry and labor executives, and leaders of state and local chapters of national organizations who have an interest in transportation development programs are welcomed to participate.

The TIAC is a project of the American Road and Transportation Builders Association's "Transportation Makes America Work!"™ (TMAW) program (www.tmaw.org) and funded through voluntary contributions and sponsorships. To become a sponsor or to make a contribution, visit the ARTBA store or contact TIAC Manager Carolyn Kramer at ckramer@artba.org or 202-289-4434. Also contact Ms. Kramer if you have questions or comments about the monthly State Fund Initiatives Report™.

EXECUTIVE SUMMARY

New Developments

Legislation

- Eleven states— Ga., Iowa, Mich., Minn., Mont., N.J., N.M., S.C., S.D., Texas, and Utah— are currently considering legislation to increase their gas tax or sales tax on gasoline.
- Three states— Conn., N.H., and Texas— are currently considering legislation to protect their transportation funds from diversions.
- Two states with variable-rate gas taxes— Ky. and N.C.— are considering legislation to instate a "floor" on the tax in order to prevent it from collecting below a minimum amount.
- Wisconsin Governor Scott Walker (R) included a \$1.3 billion bond for transportation in his 2015-2017 budget proposal released Feb. 3, 2015.
- Georgia Republican House leaders introduced the Transportation Funding Act of 2015 at the end of January.
- South Dakota Governor Dennis Daugaard (R) proposed increases in state vehicle and motor fuel taxes in order to generate \$50.5 million annually for transportation funding.
- A Texas proposal would dedicate a portion of the vehicle sales tax to the State Highway Fund.
- Iowa lawmakers have submitted companion bills in the House and Senate to increase the state gas tax by 10 centsper-gallon.
- The California Assembly Speaker has proposed a "road usage charge", which would result in an additional \$2 billion annually for the state's roads and bridges.
- A Washington legislator introduced a bill to dedicate some revenue from a motor vehicle sales tax to transportation purposes.
- A Utah proposal is being considered to increase the state gas tax by ten cents-per-gallon and diesel by 5 cents-per-gallon, in order to fund maintenance of roads and bridges.
- North Carolinian lawmakers have proposed moving up the date of a scheduled state gas tax decrease, then putting a floor in place on the variable-rate component of the gas tax. The bill passed the Senate and is now in the House.
- Several legislators have submitted proposals in South Carolina, including a bill to halt new road construction and restructure the state gas tax.
- The Connecticut legislature is considering several bills to protect the state's transportation fund from diversions, while Republican leaders in the legislature have proposed a transportation funding plan to raise at least \$1 billion per year.

Ballot Initiatives

No ballot measures were introduced this month.

Activity Status Year-to-Date

Legislation

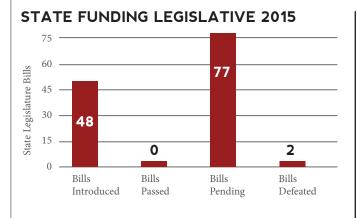
• Legislation has not yet been approved this year.

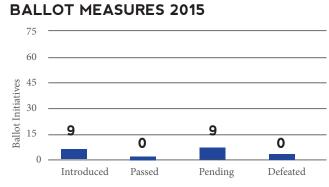
Ballot Initiatives

Michigan Sales Tax Increase for Transportation Amendment (May 2015): A Michigan proposal to increase the state's sales and use tax by 1 percent will be considered by voters in May 2015. The ballot measure is "tie-barred" with a number of road-funding bills which would take effect if the ballot measure is approved. The package of transportation bills would result in an annual increase of \$1.2 billion for highway and bridge investment and \$112 million for transit and rail improvements.

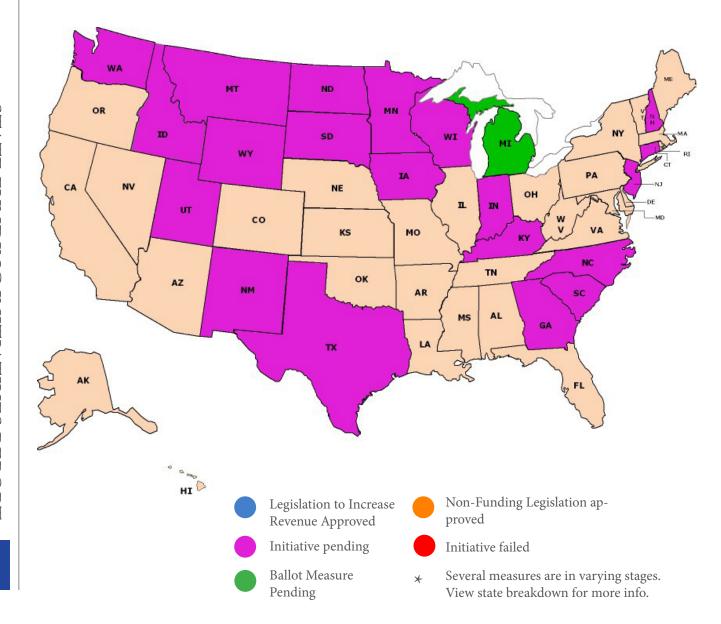
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EXECUTIVE SUMMARY





2015 STATE TRANSPORTATION FUNDING INITIATIVES



CALIFORNIA

Assembly Speaker Proposal

Assembly Speaker Toni Atkins proposed a \$52 annual fee, called a "road usage charge", in order to generate \$1.8 billion per year. \$800 million of funds generated would go towards road projects, with the remaining \$1 billion deposited into the state's General Fund. Doing this will free up revenue to replenish the California's transportation fund, such as directing money generated from California's truck weight fees back to transportation purposes. Atkins estimates a \$2 billion in total will be generated for transportation funding.

Bill Status

Pending introduction to Legislature.

CONNECTICUT

"Priotize Progress" House and Senate Republican Transportation Plan

Republican leaders in the House proposed a 30-year plan Feb. 11 to increase transportation funding by at least \$1 billion per year for the next 30 years. To raise new revenue, the plan proposes dedicating a set amount of General Obligation bonds (\$441.5 million for FY 2016); preserving existing Special Tax Obligation bonds already dedicated to transportation; fill vacant positions in CTDOT for maximum efficiency; and reestablish a state Transportation Strategy Board to assess proposed projects and identify the needs of communities.

Bill Status

Pending introduction to Legislature.

Bond Commission Approval

The State Bond Commission Jan. 12, 2015 approved a CDOT request for a \$5.75 million bond to complete planning and environmental work for several new railroad stations on the Hartford and New Haven Rail Lines, as well as upgrades for two existing stations and a study to determine the location of a new station.

House Bill 05372

A proposal to send revenue generated from a state property tax on motor vehicles to the municipality where the funds were generated, and to require this revenue to be used solely for transportation purposes.

Bill Status

Pending

Introduced by Rep. Sam Belsito (R- District 53) Jan. 14, 2015 and referred to the Joint Committee on Planning and Development.

House Bill 5949

A bill to require the Commissioner of Transportation to create a system to assess and prioritize existing transportation projects

Bill Status

Pending

Introduced by Rep. Themis Klarides (R-District 114)

CONNECTICUT

Jan. 21, 2015 and referred to the Joint Committee on Transportation. Hearing scheduled for Feb. 11.

House Bill 06323

Establishes a Connecticut Transportation Bank in order to facilitate public and private transportation investment.

Bill Status

Pending

Introduced by Rep. Jonathan Steinberg (D-District 136) Jan. 22, 2015 and referred to the Joint Committee on Transportation. Hearing scheduled for Feb. 11.

House Bill 6337

Proposal to require all revenue generated from the state's motor vehicle fuels tax and the gross earning tax be spent solely on transportation purposes.

Bill Status

Pending

Introduced by Rep. John H. Frey (R- District 111) Jan. 22, 2015 and referred to the Joint Committee on Transportation.

House Bill 6351

A bill to ensure all funds in the Special Transportation Fund are used solely for transportation purposes.

Bill Status

Pending

Introduced by Rep. Ben McGorty (R- District 122) Jan. 22, 2015 and referred to the Joint Committee on Transportation.

Senate Bill 479

Proposal to issue state special tax obligation bonds, not exceeding \$4 billion, for the purpose of upgrading rail infrastructure.

Bill Status

Pending

Introduced by Sen. Toni Boucher (R- District 26) Jan. 22, 2015 and referred to the Joint Committee on Transportation.

House Bill 5927

Proposal to create a "lockbox" that will prohibit transfers from the Special Transportation Fund.

Bill Status

Pending

Introduced by Rep. Laura Devlin (R- District 134) Jan. 21, 2015 and referred to the Joint Committee on Transportation.

House Bill 5935

A bill to ensure that all revenue deposited to the Special Transportation Fund is used solely for transportation purposes.

Bill Status

Pending

Introduced by Rep. Sam Belsito (R- District 53) Jan. 21, 2015 and referred to the Joint Committee on Transportation.

GEORGIA

House Bill 60

Proposes raising the state's flat excise tax on gasoline by 3 cents-per-gallon each year for five years, resulting in a 15 cent-per-gallon increase when fully implemented and generating an additional \$900 million per year. After 2022, the gas tax would be indexed to inflation. HB 60 also includes dedicating the entire 4 percent sales tax on motor fuel purchases to GDOT in order to generate \$180 million per year (currently, only 3 percent goes to the GDOT and 1 percent is deposited in the state's general fund budget). To offset the increase in taxes, HB 60 proposes decreasing the state's income tax rate 0.1 percent per year for five years, resulting in a 0.5 percent decrease and bringing Georgia's income tax from 6 percent to 5.5 percent.

Bill Status

Pending

Introduced by Rep. Ed Setzler (R-Acworth) on Jan. 15, 2015.

House Bill 170

The proposal involves:

Converting the state's existing 4 percent sales tax on motor fuel into a 21.7 cents-per-gallon increase in the flat excise tax. (Currently, 3 of the 4 percent sales tax is dedicated to Georgia's highway trust fund, while the remaining 1 percent is deposited into the state's general fund; with this conversion the highway trust fund would gain that final 1 percent being collected on motor fuel.) If approved, the new excise tax would be indexed to both the Corporate Average Fuel Economy and the Consumer Price Index. In addition to providing a reliable funding stream, converting the tax would also make Georgia eligible to participate in the International Fuel Tax Agreement, which would result in the state receiving an additional \$60 million.

Other aspects of the plan include recapitalizing the Georgia Transportation Infrastructure Bank to provide loans and grants to local governments for the purpose of transportation construction projects; a large bond package which would include bridges and transit; and a \$200 fee for non-commercial alternative fuel vehicles which do not use any motor fuel (\$300 for commercial alternative fuel vehicles), dedicated to transit systems. While new special purpose local option sales taxes (SPLOST) on motor fuel would not be permitted under this proposal, SPLOST already authorized would be

permitted to continue until their expiration dates. Instead of using SPLOST, local governments would be permitted to approve additional excise taxes up to 6 cents-per-gallon for transportation projects by county commission or city council approval.

Bill Status

Pending

Introduced by House Republican leaders Jan. 29, 2015.

House Bill 122

Bill to eliminate the state's \$5000 tax credit on electric vehicles. Eliminating this credit will generate approximately \$45 million, which would be put towards a transportation bond package.

Bill Status

Pending

Introduced Jan. 27, 2015.

IOWA

House Study Bill 129/ Senate Study Bill 1168

Legislation to increase the state gas tax by 10 cents-pergallon and increase oversized/overweight vehicle permit fees. The companion bills are estimated to generate \$215 million per year for transportation infrastructure funding.

Bill Status

Pending

Both bills were introduced on Feb. 10, 2015. SSB 1168 was approved by the Senate Transportation Committee Feb. 11.

House File 144

Proposal to increase the state gas tax by 3 cents-pergallon July 1, 2015, and an addition 3 cents-per-gallon July 1, 2016. HF 144 also delays a planned "sunset" on the differential of ethanol and non-ethanol motor fuels (originally scheduled to end June 30, 2015). Additionally, HF 144 would ensure deposits from automated traffic enforcement systems are put in the road use tax fund, and would require the department of transportation to implement efficiencies and prioritize certain highway projects.

Bill Status

Pending

Introduced on Feb. 3, 2015. by Rep. Ron Jorgensen (R-Sioux City).

House File 83

A bill to replace the current 20 cents-per-gallon gasoline tax and 22.5 cents-per-gallon diesel tax with a tax on the wholesale price of gasoline (rounded to the nearest one-half of 1 percent), set to the nearest equivalent of the current motor fuel taxes.

Bill Status

Pending

Introduced on Jan. 22, 2015. by Rep. Larry Sheets (R-Moulton).

IDAHO

House Bill 95

Bill to exempt public road materials from the state's sales tax. By exempting the state sales tax, contractors could then submit lower bids, freeing up an estimated \$15 to \$20 million for the state transportation fund.

Bill Status

Pending

H0095 was introduced on Feb. 6, 2015 by the Revenue and Taxation Committee.

INDIANA

House Bill 1227

Proposal to increase the amount of sales tax collections in the General Fund which are allocated for roads and bridges from 1 percent to 2 percent, increasing transportation funding by approximately \$75 million annually. Additionally, the gasoline and special fuel tax rates would be indexed to inflation starting in 2018.

Bill Status

Pending

Introduced Jan. 13, 2015 by Rep. Timothy Wesco (R-District 21) and referred to the Committee on Ways and Means.

KENTUCKY

House Bill 1: Local Investments for Transformation

Proposes granting local communities the ability to install a temporary local-option sales tax of 1 cent or less in order to generate funding for voter-approved infrastructure projects.

Bill Status

Pending

Introduced Jan. 6, 2015 and was reported favorably from the Elections, Constitutional Amendments and Intergovernmental Affairs Committee Feb. 10.

Senate Bill 29

SB 29 would set a floor for the state's variable rate gas tax. Kentucky currently calculates the gas tax by determining 9 percent of the average wholesale price of gasoline each month. SB 29 proposes putting a floor in place so the gas tax can be evaluated at no lower than \$2.345 per gallon, regardless of whether the average wholesale price falls lower.

Bill Status

Pending

Introduced Jan. 6, 2015 by Senators Ernier Harris (R) and Joe Bowen (R) and referred to the Transportation Committee Feb. 3.

House Bill 167

Would amend the state's variable rate gas tax, which is evaluated every month by determining 9 percent of the average wholesale price of gasoline, to mandate that any adjustment based off changes in the price of gasoline must first be approved by the General Assembly.

Bill Status

Pending

Introduced Jan. 9, 2015 by Rep. Lynn Bechler (R) and referred to Appropriations and Revenue Feb. 3.

MASSACHUSETTS

Governor Directive

Governor Charlie Baker (R) released \$100 million in Chapter 90 transportation funds Jan. 8, 2015, in order to maintain and construct local roads. \$300 million in Chapter 90 funds was originally authorized by Governor Deval Patrick (D) in 2014 House Bill 4046, but potential state budget concerns caused the former administration to withhold one-third (\$100 million) of the promised funds. After directing the release of the remaining one-third, Baker released a statement saying, "I am pleased that one of the first acts of this administration is to fulfill our commitment to ensure local governments have access to the infrastructure funds they have been promised for transportation upgrades. The release of these funds represents a step towards creating better jobs and building stronger communities in Massachusetts."

MICHIGAN

Michigan Sales Tax Increase for Transportation Amendment (May 2015)

The ballot measure would eliminate the current sales tax on motor fuels, which provides revenue for the School Aid Fund and local governments, and supplement those programs by increasing the general state sales/use tax from 6 to 7 percent. If voters approve the ballot measure, then several "tie-barred" bills would take effect and generate new revenue for transportation.

House Joint Resolution UU

Part of a road funding deal reached Dec. 18, HJ UU was proposed as a constitutional amendment to increase the state retail sales and use tax 1 percent, from its current 6 percent to 7 percent. The measure would also eliminate an existing 6 percent sales tax on motor fuel and provide funding protection for schools and local governments, with General Fund dollars transferred to the School Aid Fund. The 1 percent state sales tax increase would partially be used to replace funds to schools and cities currently generated from the gasoline sales tax.

Bill Status

Pending Voter Approval

Introduced Dec. 18 2014. Passed by the House in the early morning of Dec. 19, 94-16. Passed by the Senate a few hours later 26-12. Enrolled on the May 2015 ballot.

House Bill 5477

House Bill 5477 was introduced by Rep. Rob VerHeulen (R- Walker) on April 23, 2014 in order to replace the current 19 cents-per-gallon gas tax and 15 cents-per-gallon diesel tax with a calculation that would multiply the average wholesale gas price by 9.5 percent, gradually increasing to 15.5 percent by January 2018. This calculation would be performed by the Michigan Department of Treasury on an annual basis. According to a Senate Fiscal Agency analysis, HB 5477 could generate an additional \$781 million to \$1.5 billion per year, depending on the wholesale price of gas. Later substitutions changed the percentage to 14.9 percent beginning October 2015.

Bill Status

Pending Voter Approval of HJ UU

Bill was initially passed by the House on May 8, 2014 85-24. Senate approved HB 5477 with substitutions 23-14 on Nov. 13, 2014 and sent back to the House, where

MICHIGAN

the Senate substitutions were adopted, additional House substitution made, and the bill was approved on Dec. 4, 2014 58-51. The Senate failed to approve the bill with the House substitution on Dec. 11, 7-30. As part of the road funding deal reached on Dec. 18, the House passed the bill Dec. 19 93-17. The Senate subsequently passed HB 5477 23-15. The bill was tie-barred with the successful passage of HJ UU and is pending voter approval of that ballot measure.

House Bill 4630

HB 4630 was originally introduced in April 2013 by Rep. Michael Mccready (R- Bloomfield Hills) to increase fines and special permit fees for overweight trucks and revise some registration fees. On May 8, 2014 a substitute was accepted that did not impose a large vehicle registration tax increase, but instead simplified the number of separate vehicle types and categories specified in the law.

Bill Status

Pending Voter Approval of HJ UU

HB 4630 passed the Senate with a vote of 21-15 on June 11, 2014. Substitutions from the Senate failed to pass in the House on Dec. 11, 1-106. HB 4630 was then sent to a Senate-House committee for additional work. As part of the road funding deal reached on Dec. 18, the House passed the bill Dec. 19 67-43. The Senate subsequently passed HB 4630 23-15. The bill was tie-barred with the successful passage of HJ UU and is pending voter approval of that ballot measure.

House Bill 4539

Proposes phasing out the current 6 percent sales tax on motor fuel sales, a majority of which currently goes to the state's School Aid Fund.

Bill Status

Pending Voter Approval of HJ UU

Introduced April 11, 2013 by Rep. Wayne Schmidt. Passed by the House Dec. 4, 2014 with 56 in favor and 53 opposed, and was sent to the Senate for consideration. The Senate inserted a substitution and passed HB 4539 22-13 on Dec. 11, but the bill with the substitution was soundly rejected by the House that same day, 0-106. As part of the road funding deal reached on Dec. 18, the House passed the bill Dec. 19 88-22. The Senate subsequently passed HB 4539 23-15. The bill was tie-barred with the successful passage of HJ UU and is pending voter approval of that ballot measure.

House Bill 5493

Tied to the success of HB 5477, HB 5493 would repeal the current tax on diesel fuel. The bill was introduced by Rep. Rob VerHeulen (R- Walker) on April 29, 2014 as part of a the House road funding package. The proposed new state gas tax rates are defined in HB 5477.

Bill Status

Pending Voter Approval of HJ UU

HB 5493 passed the House on May 8 with 84 in favor and 25 opposed. Approved by the Senate on June 11 2014 with substitutions, and sent back to the House. As part of the road funding deal reached on Dec. 18, the House passed the bill with substitutions Dec. 19 87-23. The Senate subsequently passed HB 5493 25-13. The bill was tie-barred with the successful passage of HJ UU and is pending voter approval of that ballot measure.

House Bill 5167

Proposes requirements to make road agencies seek competitive bids for road construction and maintenance of over \$100,000. Payment made on a performance-based measure.

Bill Status

Pending Voter Approval of HJ UU

Introduced Dec. 4, 2013. As part of the road funding deal reached on Dec. 18, the House passed the bill Dec. 19 107-3 and the Senate subsequently passed HB 5167 38-0. The bill was tie-barred with the successful passage of HJ UU and is pending voter approval of that ballot measure.

House Bill 5460

A bill to require local road agencies receive warranties from contractors for road maintenance and construction. Currently, law only requires this from the state Department of Transportation.

Bill Status

Pending Voter Approval of HJ UU

Introduced April 17, 2014. As part of the road funding deal reached on Dec. 18, the House passed the bill Dec. 19 99-11, and the Senate subsequently passed HB 5167 37-1. The bill was tie-barred with the successful passage of HJ UU and is pending voter approval of that ballot measure.

MINNESOTA

Senate File 87

- 6.5 percent sales tax on motor fuel purchases, in addition to the state's current 28.5 cents-per-gallon motor fuel tax, which would generate an estimated \$580 million annually;
- Floor in place on the motor fuels sales tax to prevent the sales tax from generating less than 10 cents-per-gallon;
- •A 1 cent general sales tax in the seven-county metropolitan region (new in two counties, increasing by ¾ of a cent in five counties), producing an estimated \$251.3 million in revenue dedicated primarily to transit development, with \$40 million annually reserved for bicycle and pedestrian projects;
- An increase in annual vehicle registration fees for \$125 million in funding for roads and bridges;
- •A motor vehicle lease tax, to generate an estimated \$32 million per year primarily for transit;
- •\$200 million per year for four years in trunk highway bonds to be used for the state's Corridors of Commerce program;
- •An additional \$200 million in trunk highway bonds (dispersed over four years) for transportation economic development;
- •\$567 million in General Obligation (GO) bonds for local roads bridges; and
- •The implementation of a public-private partnership pilot program.

As the taxes are implemented, recurring revenue from the Senate's plan is estimated to increase to \$1.09 billion in 2017, \$1.109 billion in 2018 and \$1.125 billion in 2019.

Bill Status

Pending.

Introduced by Sen. Scott Dibble (DFL- District 61) and referred to the Transportation and Public Safety Committee Jan. 12, 2015.

Senate File 84/House File 83

Authorizes the sale of bonds for \$520,000 in order to fund construction of a Grey Cloud Slough bridge in Washington County.

Bill Status

Pending.

Introduced by Sen. Katie Sieben (DFL-District 54) and referred to the Senate Capital Investment Committee Jan. 12, 2015; and companion bill introduced in the House by Rep. Dan Schoen (DFL- District 54A) and referred to the House

Environment and Natural Resources Policy and Finance Committee the same day.

Senate File 80/House File 101

Grants counties the ability to consent on certain trunk highway projects (currently limited to municipalities).

Bill Status

Pending.

Introduced by Sen. Charles W. Wiger (DFL- District 43) and referred to the Senate Finance Committee Jan. 12, 2015; House companion bill introduced the same day by Rep. Tim Mahoney (DFL- District 67A) and assigned to the House Transportation Policy and Finance Committee.

Senate File 64/House File 78

Authorizes the state to sell and issue up to \$11,850,000 of state bonds, the proceeds of which will be deposited into the state's Trunk Highway Fund for the purpose of construction on portions of Route No. 163, south of Cromwell city.

Bill Status

Pending.

Introduced by Sen. Tony Lourey (DFL- District 11) and referred to the Senate Capital Investment Committee Jan. 12, 2015; House companion bill introduced the same day by Rep. Mike Sundin (DFL- District 11A), assigned to the House Transportation Policy and Finance Committee.

Senate File 44

Authorizes the state to sell and issue up to \$30,000,000 of state bonds, the proceeds of which will be deposited into the state's Trunk Highway Fund for the purpose of adding a third travel lane in each direction on U.S. Highway 10, between Hanson Boulevard and Round Lake Boulevard in Coon Rapids city.

Bill Status

Pending.

Introduced by Sen. John A. Hoffman (DFL-District 36) and referred to the Capital Investment Committee Jan. 8, 2015

MINNESOTA

Senate File 14

An act authorizing the sale of bonds and appropriating 50 percent of bond proceeds for the repair of public roads and bridges.

Bill Status

Pending.

Introduced by Sen. David M. Brown (R- District 15) and referred to Capital Investment Committee Jan. 8, 2015.

Senate File 11

Requires 40 percent of sales tax revenue per year to be awarded as grants for projects in Dakota, Ramsey or Washington County.

Bill Status

Pending.

Introduced by Sen. Bev Scalze (DFL- District 42) and referred to the Capital Investment Committee Jan. 8, 2015.

Senate File 01

Disaster relief for areas in southern Minnesota damaged by the June 2014 floods. \$3 million (of the proposed \$11.48 million) will be spend on road repairs.

Bill Status

Pending.

Introduced by Sen. Vicki Jensen (DFL- District 24) and referred to the Finance Committee Jan. 12, 2015.

House File 4

Requires MnDOT to implement efficiencies, and allocates 90 percent of unreserved Trunk Highway Funds as well as a state budget surplus for construction and maintenance of roads and bridges 2016-2019— estimated \$750 million total, with \$200 million provided FY 2016 from the budget surplus.

Bill Status

Pending.

Introduced by Rep. Tim Kelly (R- District 21A) and referred to the Transportation, Policy and Finance Committee Jan. 8, 2015.

House File 80

\$28 million appropriated from the trunk highway fund for acquisition of right-of-way and construction on Highway 212.

Bill Status

Pending.

Introduced by Rep. Glenn Gruenhagen (R- District 18B) and referred to the Transportation, Policy and Finance Committee Jan. 12, 2015.

House File 7

Appropriate funds from current budget surplus as well as state reserve funds for southern Minnesota roads and bridges affected by June 2014 flooding.

Bill Status

Pending.

Introduced by Rep Jim Knoblach (R- District 14B) and referred to Ways and Means Committee Jan. 8, 2015.

MONTANA

House Bill 275

Proposal to increase the state gas tax by 5 cents-pergallon. 60 percent of the proceeds would be allocated for repair and maintenance of county roads and streets, with 40 percent going towards public transportation.

Bill Status

Pending

Introduced Jan. 21, 2015 by Rep. Nancy Wilson (D-Missoula) and referred to the House Transportation Committee.

NEW JERSEY

Assembly Bill 3886

Introduced by Assemblyman John Wisniewski (D-Middlesex) in order to raise the state's 2.75 percent (4 cents-per-gallon) petroleum products gross-receipts tax collected from refiners and distributors, who build the cost of the tax into the price of gasoline at the pump. If approved, AB 3886 would increase the tax to 9 percent of the wholesale price of gasoline, raising the state gas tax by approximately 25 cents-per-gallon and generating an estimated \$1.25 billion annually for state highways.

Bill Status

Pending

Introduced in the Assembly Nov. 13, 2014, and referred to the Assembly Transportation and Independent Authorities Committee.

Assembly Concurrent Resolution 205

A companion bill to AB 3886, introduced by Assemblyman John Wisniewski (D-Middlesex) for the purpose of amending the state constitution in order to dedicate all revenues from New Jersey's petroleum products gross-receipts tax to the state's Transportation Trust Fund. Currently, the petroleum products gross-receipts tax is deposited in the General Revenue Fund.

Bill Status

Pending

Introduced in the Assembly Nov. 13, 2014, and referred to the Assembly Transportation and Independent Authorities Committee.

Senate Bill 1865

Introduced on March 17 by State Senator Raymond Lesniak (D-Union) to increase the motor fuels tax in order to fund road and bridge improvement projects throughout the state. SB 1865 would raise the motor fuels tax by 5 cents-per-gallon each year for three years. The bill would ensure that the new revenue collected would exclusively be used for transportation improvement programs. Senator Lesniak says that SB 1865 would generate \$750 million annually for transportation infrastructure projects.

Lesniak said, "The state's transportation infrastructure is collapsing...the roads have been neglected for years

NEW JERSEY

and the harsh winter left a landscape of potholes that are damaging and dangerous. This has a severe impact on our quality of life and the state's economy. This plan will provide the resources needed to repair, rebuild, and maintain the highways, bridges, and roadways that are so important in New Jersey."

Bill Status

Pending

SB 1865 was referred to the Senate Transportation Committee on March 17, 2014.

Assembly Bill 3816

Introduced by Assemblyman Tim Eustace (D-Bergen) for the purpose of dedicating sales tax revenues from the sale of electricity, natural gas, and hydrogen-powered vehicles to the state Transportation Trust Fund.

In a news release, Eustace states: "Seeking alternative funding sources for the Transportation Trust Fund is necessary to maintain the state's roadways and railways in the manner it needs to be – now and in the future... This additional financing capacity will be beneficial to put in place now, especially as more residents are choosing to purchase green or environmentally friendly vehicles."

Bill Status

Pending

Introduced Oct. 16, 2014 and referred to the Assembly Transportation and Independent Authorities Committee.

Senate Bill 2051

Introduced by State Senator Ronald L. Rice (D) on April 28, 2014. The bill revises the motor fuel tax rate based on 7 percent of retail price of unleaded regular gasoline and provides gross income tax deduction for certain taxes paid on motor fuel.

Bill Status

Pending

Referred to Senate Transportation Committee on May 5, 2014.

Introduced by Senators Thomas H Kean, Jr. (R-21) and Joseph Pennacchio (R-26) July 31, 2014 to redirect \$400 million per year of motor vehicle fees from the state's General Fund to New Jersey's Transportation Trust Fund.

Bill Status

Pending

Referred to Senate Transportation Committee July 31 2014

Assembly Bill 801

A proposal for the Turnpike Authority and the South Jersey Transportation Authority to study and report on potential new revenue-generating services in rest areas and service plazas, as well as analyze potential to maximize revenues from billboards and cellphone towers. If passed, the two authorities would have 12 months to complete the study.

Bill Status

Pending

Introduced in the Assembly on Jan. 16, 2014 and passed with a vote of 75-1 on March 20, 2014. A801 was reported from the Senate Transportation Committee Dec. 8, 2014.

NEW HAMPSHIRE

House Constitutional Amendment Concurrent Resolution 2

Proposal to ensure that funds dedicated to a specific account only be used for the purpose of that fund.

Bill Status

Pending

Introduced Jan. 8, 2015 and referred to the House Ways and Means Committee. A public hearing is scheduled for Feb. 13.

NEW MEXICO

House Bill 58

Proposal to increase the state's 17 cents-per-gallon flat gas tax and 21 cents-per-gallon diesel tax by 1 cent every year for five years, in order to generate an estimated \$70 million annually to fund transportation projects.

Bill Status

Failed

Pre-filed by Rep. Roberto "Bobby" Gonzales (D-Taos) Dec. 19, 2014, and tabled in the House Transportation and Public Works Committee Feb. 5 with a vote of 6-5.

Senate Bill 52

A bill to extend the overweight zones from six to twelve miles in three of the state's Mexican border ports of entry (Antelope Wells, Columbus, and Santa Theresa). Funds generated from the purchase of special permits authorizing overweight vehicles and loads to operate on the highway are deposited in the state's road fund.

Bill Status

Pending

Pre-filed by Sen. Mary Kay Papen (D-Las Cruces) Dec. 16, 2014 and sent to the Corporations & Transportation Committee as well as the Public Affairs Committee Jan. 21, 2015.

Executive Budget Recommendation: Fiscal Year 2016/ House Bill 92

The Executive Budget Recommendations by Governor Susana Martinez (R) included dedicating \$60 million annually from severance tax bonds for a total of three years, to be used to leverage federal funds in order to complete highway construction projects. Rep. Larry A. Larrañaga (R-Albuquerque) increased the proposed severance tax bonds to \$300 million over four years, to be deposited in a new Economic Growth and Energy Development Transportation Fund. The Fund would be used to finance projects deemed critical to regional economic development or the development of energy mineral resources.

Bill Status

Pending

The Executive Budget Recommendation was proposed by Governor Martinez Jan. 12, 2015. HB 92 was introduced Jan. 8, 2015 and referred to the House Transportation and Public Works Committee on Feb. 12.

NORTH CAROLINA

Senate Bill 20

Bill proposes moving up a 2.5 cents-per-gallon state gas tax reduction, scheduled for July 1 due to the terms of North Carolina's variable rate gas tax component which ties the tax to the price of wholesale gasoline. In addition, a floor would be put in place to prevent the tax from ever collecting any less than 35 cents-per-gallon or 9.9 percent of the average price of fuel, whichever is greater.

Bill Status

Pending

Filed by Senate Republicans Feb. 3, 2015 and referred to the Appropriations/Base Budget Committee, from which SB 20 passed on Feb. 11 36-14. The bill was subsequently passed by the Senate Feb. 11 36-14.

NORTH DAKOTA

Senate Bill 2126

A transportation funding "jump-start" bill that would provide \$873 million, with \$300 million from the Strategic Investment and Improvements Fund and the remainder from the state's General Fund. \$450 million would be dedicated to road expansions and bypass projects. \$300 million would be divided between four hub cities.

Bill Status

Failed

Introduced Jan. 6, 2015. Senate vote on Jan. 29 failed to pass this measure, 14-32.

Senate Bill 2103: "Surge" Funding

Proposes \$1.14 billion from the Strategic Investment and Improvements Fund to be divided between counties, cities and school districts. \$300 million would go towards ND DOT funding.

Bill Status

Pending

Introduced Jan. 6, 2015 and passed the Senate with a vote of 44-2 on Jan. 29. Sent to the House on Feb. 2 and referred to the Appropriations Committee.

SOUTH CAROLINA

House 3579

Proposal to halt new road construction until 2020; grant SCDOT the ability to transfer certain state roads to interested counties, which would then receive \$1 million for the project; lower both the road tax and user fee on gasoline by 10 cents-per-gallon; increase the motor vehicle sales tax by \$200; and impose a tax on the price of wholesale gasoline (not to exceed 16 cents-per-gallon).

Bill Status

Pending

Introduced by Rep. Gary Simrill (R- York) Feb. 11, 2015 and referred to the Committee on Ways and Means..

House 3579

Proposal to increase both the gas user fee and road tax on gasoline by 10 cents-per-gallon for the duration of three years, while cutting taxes on individuals, estates and trusts by two-tenths of 1 percent for nine years.

Bill Status

Pending

Introduced Feb. 11, 2015 by Rep. Tommy Stringer (R-Greenville) and referred to the Committee on Ways and Means..

Senate 0002: Interstate Lane Expansion Fund

Bill proposes the establishment of a fund within the State Infrastructure Bank solely for the purpose of existing interstate lane expansion, which will require the General Assembly to annually appropriate an amount equal to the general fund portion of the sales tax on cars.

Bill Status

Pending

Prefiled on Dec. 3, 2014 and referred to the Committee on Labor, Commerce and Industry.

House 3262

A bill to increase the state's 16 cent-per-gallon flat excise tax on gasoline by 5 cents, which would be used to form a County Road Transfer Fund. The fee increase would cease after the completed transfer of certain roads from the state to local governments.

Bill Status

Pending

Prefiled by Rep. Tommy Stringer (R-Greenville) on Dec. 11, 2014 and referred to the Committee on Ways and Means.

House 3263

Introduced by Rep. Tommy Stringer (R-Greenville) to dedicate the 5 cents-per-gallon proposed in House 3262 (above) for the creation of a County Road Transfer Fund, which would transfer 21,000 miles of roads from the state to local governments.

Bill Status

Pending

Prefiled on Dec. 11, 2014 and referred to the Committee on Ways and Means.

House 4563

Proposal to increase the state's 16 cents-per-gallon flat excise tax on motor fuel by 10 cents, with an income tax break for the first two years to offset the cost to residents. Estimated to raise \$335 million per year.

Bill Status

Pending

Introduced Jan. 23, 2015 by Rep. B.R. Skelton (R) and referred to the Committee on Finance.

Senate 27

A bill to increase the state's motor fuel tax by 2 cents per year for the next ten years, in order to generate \$600 million annually for transportation construction. S27 would also decrease the state's income tax by 0.2 percent per year for ten years, reducing the General Fund by \$1 billion.

Bill Status

Pending

Introduced Jan. 13, 2015 by Senators Larry Grooms (R) and George Campsen (R), and referred to the Committee on Finance.

SOUTH CAROLINA

Senate 244

Proposed ballot measure to increase the motor fuel tax by 5 cents-per-gallon to fund local road work. If approved by the legislature it would be put before voters.

Bill Status

Pending

Introduced Jan. 13, 2015 by Senators Chauncey Gregory (R) and Greg Hembree (R), and referred to the Committee on Finance.

Senate 142

S 142 would require all General Fund revenues left over after general and supplemental appropriations be credited to the state's highway fund for improvements to existing interstates and state and local roads.

Bill Status

Pending

Prefiled Dec. 3, 2014 and introduced Jan. 13, 2015 by Senator Creighton B. Coleman (D- District 17), and referred to the Committee on Finance.

SOUTH DAKOTA

Senate Bill 1

Following a study commissioned by the Legislature in 2014, SB 1 was filed at the request of the Interim Committee on Highway Needs and Financing to address the identified funding needs. The bill proposes a gradual increase in the state's 22 cents-per-gallon gas tax, starting with 7 cents initially (to 29 cents-per-gallon), and increasing by 2.5 percent beginning in 2017, with increases ceasing in 2023. Additionally, diesel fuel used on farms would increase by 7 cents-per-gallon, for an additional \$50 million. SB 1 also proposes a ten percent increase in vehicle registration and licensing fees, generating approximately \$8.7 million. The entire proposal would generate about \$100 million per year.

Bill Status

Pending

Introduced Jan. 5, 2015 and passed by the Senate Feb. 11 with a vote of 26-8.

House Bill 1131

Governor's proposal to raise the state's vehicle excise tax from 3 percent to 4 percent; increase the motor fuel tax by 2 cents-per-gallon a year; increase vehicle registration by 10 percent— to generate an estimated \$50.5 million per year for state and local highway and bridge revenue. \$40 million would be dedicated to state transportation needs, while almost \$11 million would be allocated to cities and counties.

Bill Status

Pending

Introduced Jan. 27, 2015 by the Committee on Transportation, at the request of Governor Dennis Daugaard. Referred to House State Affairs on Feb. 3. Scheduled for a hearing Feb. 18.

TEXAS

House Joint Resolution 27

HJR 27 is a constitutional amendment filed Nov. 10, 2014 to ensure that revenues generated from motor vehicle registration fees and taxes on motor fuels and lubricants is spent solely on road and transportation issues.

Bill Status

Pending

Filed Nov. 10, 2014.

House Bill 373

A proposal to increase and redirect taxes on motor vehicle sales, rental and use to the State Highway Fund. Currently, these taxes are deposited into the state's General Revenue Fund, with portions of the funds dedicated to the Property Tax Relief Fund (PTRF) and Texas Emissions Reduction Plan (TERP). If approved, the funds cannot be used for tolls roads, rail transportation or trolleys.

Bill Status

Pending

Filed in the House by Rep. Ron Simmons (R-District 65) Nov. 24, 2014.

House Joint Resolution 53

HJR 53 proposes a constitutional amendment to dedicate the net revenue from the state's vehicle sales tax to the State Highway Fund. Currently, the revenue generated is deposited into the General Revenue Fund. HJR would be implemented gradually, with a 10 percent increase in funds deposited into the State Highway Fund every year until 100 percent is reached.

If approved by the Legislature, HJR 53 would be put before voters as a constitutional amendment ballot measure.

Bill Status

Pending

Filed in the House by Rep. Will Metcalf (R-Conroe) Dec. 8, 2014.

House Bill 469

Legislation to enable HJR 53, detailing the gradual process of shifting vehicle sales tax revenue from the General Revenue Fund to the State Highway Fund. Beginning

Sept. 1, 2017, 10 percent of the tax would be deposited into State Highway Fund, increasing every year for ten years until 100 percent is being deposited into the State Highway Fund by September 2026.

Bill Status

Pending

Filed in the House by Rep. Will Metcalf (R-Conroe) Dec. 8, 2014.

House Bill 395

To increase the state gas tax by 10 cents-per-gallon , one quarter of which would fund education, and the remaining three-quarters would be allocated to the Texas Department of Transportation.

Bill Status

Pending

Filed in the House by Rep. Ruth Jones McClendon (D-San Antonio) Nov. 26, 2014.

House Joint Resolution 28/ Senate Joint Resolution 12

A bill to put a ballot measure before voters which, if approved, would institute a constitutional amendment prohibiting the Texas legislature from appropriating from the 3/4 of funds allocated for transportation, generated from motor vehicle registration fees, motor fuel taxes, and funds received from the federal government intended for public highways (1/4 of the net revenue would continue to be reserved for the state's school fund).

Bill Status

Pending

Prefiled in the House Nov. 10, 2014 by Rep. Joe Pickett (D- District 79), along with a duplicate bill (HJR 29). Companion bill SJR 12 was introduced by Sen. Charles Perry (R-District 28) in the Senate.

House Joint Resolution 36/ Senate Joint Resolution 15

A bill to put a ballot measure before voters which, if approved, would institute a constitutional amendment prohibiting the Texas legislature from appropriating from the 3/4 of funds allocated for transportation, generated

TEXAS

from motor vehicle registration fees, motor fuel taxes, and funds received from the federal government intended for public highways (1/4 of the net revenue would continue to be reserved for the state's school fund) starting Sept, 1, 2017.

Bill Status

Pending

Prefiled by Rep. Lyle Larson (R-District 122) Nov. 10, 2014. Companion bill introduced in the Senate by Sen. Charles Schwertner (R-District 5) Nov. 17, 2014.

House Bill 129

Proposal to allocate all motor vehicle sales tax proceeds to the state highway fund.

Bill Status

Pending

Prefiled by Rep Craig Goldman (R) Nov. 10, 2014.

House Bill 202

A measure to require 50 percent of revenue remaining from the motor vehicle sales tax after allocations by the comptroller be deposited in the state highway fund every year. These funds would be prohibited from use on toll roads.

Bill Status

Pending

Prefiled by Rep Jeff Leach (R) Nov. 10, 2014.

Senate Bill 61

A bill to require all revenue generated from state motor fuel taxes be deposited in the state highway fund—including the current 25 percent allocated for school funding— for the purpose of acquiring rights-of-way and constructing public roads.

Bill Status

Pending

Prefiled by Sen Donald Huffines (R) Nov. 10, 2014.

of SJR 12, to remove the Department of Public Safety's eligibility for state highway funds.

Bill Status

Pending

Prefiled by Sen Charles Perry (R) Nov. 10, 2014.

Senate Bill 5/ Senate Joint Resolution 5

A proposal to constitutionally dedicate revenue from the vehicle sales tax exceeding \$2.5 billion to the State Highway Fund, estimated to generate between \$1.5 to \$2 billion per year.

Bill Status

Pending

Introduced by Senator Robert Nichols (R-Jacksonville) Feb. 4, 2015.

UTAH

Senate Bill 160

Proposal to increase the state gas tax by ten cents-pergallon and diesel by 5 cents-per-gallon, in order to fund maintenance of roads and bridges.

Bill Status

Pending

Introduced Feb. 5, 2015 by Sen. Kevin T. Van Tassell, (R-District 26).

WASHINGTON

House Bill 1180

A bill to permit certain counties to institute a motor vehicle excise tax of up to 0.8 percent of the value of the vehicle in order to fund high capacity transportation services. Additionally, the bill proposes increasing the maximum sales and use tax rate permitted for transit in certain counties to 1.4 percent, and allowing transit agencies to impose property tax levies of up to 25 cents per \$1000 of the assessed property value.

Bill Status

Pending

Introduced Jan. 15, 2015 and referred to the House Committee on Transportation.

WISCONSIN

Assembly Bill 21 /Senate Bill 21

Governor Scott Walker's (R) 2015-2017 budget proposal includes a \$1.3 billion bond for transportation.

Bill Status

Pending

Introduced Feb. 3, 2015 and referred to the Joint Committee on Finance.

WYOMING

House Bill 9

Proposal to set a "gasoline gallon equivalent" tax on alternative fuels, including pure methanol, pure biodiesel, ethanol and other alcohols, liquefied petroleum, propane, coal-derived liquid fuels, and hydrogen. Electric cars would be required to pay \$50 annually for a decal.

Bill Status

Pending

Introduced Jan. 13, 2015 by the Joint Revenue Committee and was approved by the House on Jan. 22 with a vote of 53-7. HB0009 passed it's first reading in the Senate, and must pass the final two readings before legislative approval.

PASSED STATE HIGHWAY FUNDING INITIATIVES—TIMELINE

DATE	STATE	MEASURE
Nov 6, 2012	Alaska	Voters approved Proposition 2 at the polls in November 2012. The measure allows for a general obligation bond to be issued for the purpose of transportation projects in the state, not to exceed \$453,499,200.
Nov 6, 2012	Arkansas	Voters approved Issue 1, a half-cent sales tax increase to cover a \$1.3 billion bond issue for roads and bridges.
Nov 6, 2012	Maine	Voters approved Question 4, which provides about \$41 million for highway and bridge repairs throughout the state.
Feb 15, 2013	Wyoming	Governor Mead signed a bill into law that raises the state's gas tax by 10 centsper-gallon beginning July 1.
Feb 26, 2013	California	The state Board of Equalization voted to increase the excise tax 10 percent, from 36 cents per gallon to 39.5 cents per gallon. It will take effect July 1.
March 25, 2013	Virginia	Governor McDonnell signed into law an overhaul of the transportation funding system which scraps the gas tax, raises the sales tax, creates a tax on wholesale gas and diesel and charges registration fee for hybrid, electric and alternative-fuel vehicles.
April 1, 2013	Ohio	Gov. John Kasich signed on April 1 a two-year, \$7.6 billion transportation and public safety budget bill that also allows the state to use toll revenue from the Ohio Turnpike for projects beyond the 241-mile toll road's borders.
May 16, 2013	Maryland	Gov. Martin O'Malley signed legislation to increase the state's gas tax. The bill raises taxes on gasoline in stages over four years—with a roughly 4-cent increase on July 1.
July 24, 2013	Massachusetts	On July 24, the state legislature voted to override Governor Deval Patrick's veto of an \$800 million transportation finance bill. As a result, on July 31 the gas tax increased by 3 cents, from 21 to 24 cents per gallon.
Aug 5, 2013	Texas	The Texas legislature approved a measure to redirect \$1.2 billion annually in oil and gas revenue from the state's general Rainy Day Fund to support transportation improvements. This constitutional amendment must still be approved by Texas voters in 2014.
Nov 25, 2013	Pennsylvania	The comprehensive transportation package approved in November 2013 will provide an additional \$2.3 to \$2.4 billion for Pennsylvania highways, bridges, rail, airports, transit, and bike/pedestrian facilities. The legislation eliminates the state retail gas tax paid at the pump and removes the cap on the Oil Company Franchise Tax that is charged at the wholesale level.

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PASSED STATE HIGHWAY FUNDING INITIATIVES—TIMELINE

DATE	STATE	MEASURE
Nov 5, 2013	Maine	Maine had the only statewide initiative on the ballot in November 2013, and with 72 percent approval, voters overwhelmingly passed a \$100 million transportation bond that will fund infrastructure projects for state highways, ports, and bridges. These highway improvement projects will receive \$76 million, \$27 million for bridges, \$24 million for ports and rail, and \$5 million for local governments. This bond will also leverage an additional \$154 million from federal and state funds.
April 29, 2013	Vermont	State gas tax increased 5.9 cents-per-gallon. The hike includes a new 2 percent assessment on the price of gasoline while slightly decreasing the per-gallon tax by 0.8 cents. It is estimated that by FY 2016 the tax could amount to a net hike of 6.5 cents. Diesel tax was also increased by 3 cents-per-gallon over two years. In addition to the approved \$11 million bonds, it is anticipated that \$32 million will be generated in FY 2016 for transportation infrastructure funding.
May 22, 2014	New Hampshire	Gov. Maggie Hassan signed legislation to raise the New Hampshire gasoline and diesel fuel taxes by 4 cents-per-gallon. The tax will go into effect July 1 and had bipartisan political and business community support. The new gas tax will be 22 cents-per-gallon and the new diesel tax will be 23.6 cents-per-gallon. The tax will fund highway improvements for the next two years, and then half the tax will be earmarked to pay off \$200 million in debt for Inter-state 93 expansions. The tax will expire in 20 years after the debt is paid off.
June 19, 2014	Rhode Island	Starting July 2015, the state gas tax by 1-cent, a move that House Finance Committee Chairman Raymond Gallison says will produce an estimated \$4.8 million a year. Subsequently that increase will be revisited every two years to reflect increases based on the rate of inflation.
Nov 4, 2014	Texas	In 2013, the Texas legislature approved a measure to redirect half of the revenue generated from oil and gas taxes away from the state's general Rainy Day Fund, to be deposited into the State Highway Fund. Once in the Fund, the approximately \$1.2 to \$1.7 billion per year would be used to fund construction and maintenance on public roads. Voters approved this measure November 2014.

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