State-by-State Policy Study and Database of Transportation Funding and Governance

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List of Acronyms

Acronym	Definition
AASHTO	American Association of State Highway and Transportation Officials
AFV	Alternative Fuel Vehicle
AMPO	Association of Metropolitan Planning Organization
COMPASS	Community Planning Association of Southwest Idaho
CPI	Consumer Price Index
DOT	Department of Transportation
EV	Electric vehicle
FHWA	Federal Highway Administration
FTA	Federal Transit Administration
FY	Fiscal Year
GDOT	Georgia Department of Transportation
HB	House Bill
HOT	High-Occupancy Toll [lane]
ITD	Idaho Transportation Department
MPO	Metropolitan Planning Organization
NASBO	National Association of State Budget Officers
P3	Public-Private Partnership
RUC	Road Usage Charge
SCDOT	South Carolina Department of Transportation
SIRC	Strategic Innovation for Revenue Collection
STBG	Surface Transportation Block Grant
TDOT	Tennessee Department of Transportation
TETC	The Eastern Transportation Coalition
TIF	Tax Increment Financing
UDOT	Utah Department of Transportation
URD	Urban Renewal District
VIP	Vehicle Investment Program
VRT	Valley Regional Transit
ZEV	Zero-Emission Vehicle

EXECUTIVE SUMMARY

Idaho is currently the second fastest growing state in the country. The state's growth is fueled by the Treasure Valley in Ada and Canyon Counties in the greater Boise region, where the population is expected to grow by 37 percent to nearly 1.1 million by 2050. The Community Planning Association of Southwest Idaho (COMPASS) is the metropolitan planning organization (MPO) for Ada and Canyon Counties in the Treasure Valley. Through its long-range planning process for *Communities in Motion 2050*, COMPASS has identified a program of public transportation, highway, bicycle, and pedestrian improvements to support the region's mobility needs and continued growth. However, COMPASS has also identified a $5.4 billion shortfall in transportation funding through 2050, which threatens the region's sustained economic vitality.

While transportation revenue measures in 2015 and 2021 through House Bill (HB) 312 and HB 362 demonstrate the importance that decision-makers in Idaho place on transportation investment needs, Idaho is one of only two states with limited to no dedicated state funding for public transportation and limited ability for county or municipal governments to raise local revenue options for investment in transportation needs. Sustaining economic and demographic growth in the Treasure Valley will require deviating from the status quo and finding new sources of funding to support investment in the region's transportation needs.

COMPASS initiated the *Transportation Funding and Governance Study* to understand how other metropolitan regions in the country advance investment in surface transportation and transit needs. The study provides a comprehensive inventory and synthesis of policies, funding, and financing mechanisms that states and regions across the United States use to fund transportation.

This report assesses current trends and documents how surface transportation and public transit are funded at the state and local levels across the country. This report also reviews the current state of play in road usage charges (RUCs) in all 50 states and the findings of an innovative survey documenting current state practices for suballocating federal Surface Transportation Block Grant (STBG) funding to local government partners in 48 of the 50 states.

Comprehensive databases and technical white papers were developed as part of this study, providing a detailed description and analyses for four key policy areas. This report presents the following key findings in these policy areas:

- **Local Transportation Funding**

The study developed conservative 25-year revenue estimates with several viable revenue options available to the Treasure Valley. These options include an ad valorem property tax, a local income tax, and a local sales tax, which would enable the region to generate the necessary revenue to bridge the $5.4 billion funding gap. The levy unit rate for these different revenue mechanisms could be adjusted to align with regional needs and political feasibility. If upfront funding is needed for large capital investments, bonds could also be issued against any of these revenue streams, which would enable the region to fast-track the implementation of needed improvements. The study identifies other revenue mechanisms that could also cover a portion of the revenue gap.

- **Public Transportation Funding**

Both public transportation services and funding are limited in Idaho. Research revealed that Idaho is only one of two states in the country with limited to no dedicated state funding and limited ability to raise local revenue options to fund public transportation. In fact, while state law vests local governments in the Treasure Valley with taxing authority to raise local funding for public transportation, several legislative limitations are in place that constrain

using certain funding sources and make it extremely difficult to cobble together the local match funds that are required to qualify for federal public transportation funding.

The research identified a growing commitment by several states to provide funding to improve public transit infrastructure and services. States such as Georgia and Utah have established dedicated funds to provide flexible funding for public transportation investment needs. The research also confirmed that local governments play a critical role in funding public transportation in 46 states by using funding mechanisms including local sales taxes, special assessments, special assessment districts, and Tax Increment Financing (TIF) to generate significant amounts of revenue to support transit investment.

- **Suballocating Federal Transportation Funds within States**

To understand how Idaho's STBG suballocation practices compare to those in other states, the *Transportation Funding and Governance Study* undertook pioneering research to gain insight into the policy mechanisms that determine how STBG funds are distributed in all states. The survey revealed that Idaho is one of nine states that does not suballocate its STBG funding per the computational tables prepared by the Federal Highway Administration (FHWA). The analysis determined that while areas with populations ranging between 5,000 and 200,000, represent 46 percent of the state's population, they only receive 30 percent of the state's available STBG funding. There is also an imbalance in STBG funding for rural communities with populations below 5,000 in Idaho, which receive 45 percent of the state's STBG funding but only represent 31 percent of the state's population. Such imbalances are unusual in other states, particularly in the 39 states that suballocate their STBG funding per the FHWA computational tables.

- **Implementing Alternative Road Usage Charge Programs**

As the migration to electric vehicles (EVs) and the reduction in proceeds from motor fuel taxes continue in Idaho, RUC could become an increasingly important source of Idaho's transportation funding. However, the implementation of RUC will require overcoming a variety of challenges. The *Transportation Funding and Governance Study* has reviewed the different RUC pilots and active programs that have been implemented in the United States and has yielded many lessons learned and best practices in areas such as increasing public acceptance, addressing privacy concerns, understanding urban versus rural fairness, and complying with existing regulations. This body of knowledge will be helpful for decision-makers in Idaho as they consider the transition to RUC.

The *Transportation Funding and Governance Study* is intended to inform decision-making on transportation funding and policy in Idaho by providing an appreciation of the challenges that states across the country face in meeting their transportation investment needs, as well as a range of options that other states and regions adopt to invest in their transportation future.

Through its review and analysis of state and local transportation funding practices across the country, the *Transportation Funding and Governance Study* determined that states and regions are partnering to provide significant investments in public transportation, expanded highway capacity, and other mobility enhancements. The study has also determined that the Treasure Valley could fund its transportation needs through a variety of strategies, though enabling legislation at the state level is needed to generate local revenue.

CHAPTER 1. INTRODUCTION

1.1 Background

Idaho is one of the fastest growing states in the union, and the Treasure Valley in southwest Idaho is the fastest growing region in the state. The Community Planning Association of Southwest Idaho (COMPASS) is the metropolitan planning organization (MPO) for Ada and Canyon Counties in the Treasure Valley. Through its long-range planning process for *Communities in Motion 2050*, COMPASS has identified a $5.4 billion shortfall in transportation funding through 2050.

Current transportation funding in Idaho comes primarily from the federal fuel tax, state fuel taxes, passenger vehicle registration fees, and truck registration fees. The state prohibits general obligation debt and until the passage of House Bill (HB) 362, Grant Anticipation Revenue Vehicle bonds were the sole form of transportation bonding used.

Over the past nine years, there have been several transportation funding initiatives in Idaho including:

- In 2015, HB 312 was signed into law and increased the state gas tax by seven cents per gallon, raised vehicle registration fees, and instituted a fee on electric and hybrid cars to generate new funding for the state's roads and bridges.
- In 2021, HB 362 was signed into law directing $80 million in ongoing funding to transportation and allowing the state to bond for up to $1.6 billion for transportation infrastructure projects statewide. This was the single largest investment in infrastructure in Idaho's history.

While this important legislation has provided additional transportation funding at the state level, available funding is not keeping up with demand in the Treasure Valley, particularly for transit and local transportation needs.

1.2 Purpose of the Study

The purpose of the *Transportation Funding and Governance Study* is to complete a comprehensive review and database of the policies, statutes, and mechanisms governing transportation funding across the United States to help inform decision-making by public officials in Idaho and local transportation agencies in the Treasure Valley. The research involved collecting data, analyzing policy options, and formulating recommendations in four policy areas:

- Local transportation funding
- Public transportation funding
- Suballocating federal transportation funds within states
- Implementing alternative road usage charge (RUC) programs

For each policy area, the research involved collecting data through various means for all 50 states and preparing modular white papers. White papers are stand-alone technical documents that synthesize the findings and analyze, in the case of local and public transportation funding, the applicability of different revenue and financing mechanisms for the Treasure Valley.

The research began with the preparation of an extensive 50-state data set inventorying state transportation networks, demographic trends, state-level transportation revenue sources and any restrictions on their use, finance mechanisms used to support transportation investments, and transportation expenditure as documented in the annual budgets of state Departments of Transportation (DOTs). This data is intended to help identify the different revenue sources used by states around the country, the level and types of transportation expenditures, and relevant

demographic trends. The state-level data are summarized in a set of one-page state profiles included in **Appendix A** of this report, while the complete data set is housed in a separate Excel spreadsheet. Although the scope of the *Transportation Funding and Governance Study* does not call for a written analysis of state data, this information is intended to facilitate benchmarking comparisons among states and to enable decision-makers to understand how current transportation revenue and investment in Idaho compares to that in other states.

Brief descriptions of the four policy areas explored in the research are provided below.

1.2.1 Local Transportation Funding

The United States Constitution establishes the concept of federalism, which involves dividing and sharing power and responsibilities between the federal and state governments. The Constitution is explicit in enumerating the different powers granted to the federal government and those that are reserved for the states. However, the Constitution does not address local governments, leaving each state government to identify the legal powers, functions, and financial resources available to local governments through its constitution and laws. The principle of "Dillon's Rule," which was set forth by the Supreme Court in the 1860s, establishes the precedent that if state law does not address certain local powers, including the ability to raise revenue, it is presumed that local governments do not have those powers. Home Rule states afford local governments with greater autonomy in raising revenues at the local level.

American federalism and Dillon's Rule precedent have an important imprint on surface transportation funding and policy in the U.S. Local governments in Dillon's rule states need explicit authorization from their state governments to generate revenues for uses such as transportation. In addition, they also need local approval, which is usually gained through a popular vote. Home Rule states provide local governments the authority to collect local revenues for transportation and other purposes, while Dillon's Rule states do not allow the same fiscal freedom. This dynamic separate local governments into two classes: those that can help themselves by raising their own funding, and those that depend on other levels of government for funding.

Idaho is a Dillon's Rule state where county and municipal governments have limited abilities to raise local revenues to support transportation needs. The research was intended to gather data on the prevalence, effectiveness, and appropriateness of the different revenue and finance options used at the local level in all 50 states. This will help provide COMPASS and its stakeholders with a better understanding of how local public funds are distributed, leveraged, combined, and restricted to fund local transportation needs in other states. The information from this policy area is also used to identify local transportation funding strategies that could be effective for supporting transportation investment in the Treasure Valley and to inform decision-making on transportation finance and policies moving forward.

1.2.2 Public Transportation Funding

Both public transportation services and funding are limited in Idaho. As described above there is essentially very limited state funding available to support public transit service and there are only two regional public transportation authorities in the state: Valley Regional Transit (VRT) and Pocatello Regional Transit. Under Idaho law, these authorities are the only political subdivisions of government that do not have taxing authority; municipal governments have taxing authority but may require legislative authorization to levy certain funding and financing taxes.

The research conducted for the *Transportation Funding and Governance Study* has revealed that Idaho is only one of two states in the union with limited to no dedicated state funding and limited ability to raise local revenue to fund

public transportation.[1] Without funding or support from the state, the only way that regional public transportation authorities can generate non-federal sources of revenue is by entering into intergovernmental agreements through which local governments make voluntary contributions to fund public transportation. Given the local match requirements for federal transportation funding, the extremely limited availability of transportation funding in Idaho is a challenge for the state's two regional public transportation authorities that leverage federal funding.

These limitations are especially challenging in the Treasure Valley, which has one of the highest regional growth rates in the country. Expanding public transit services is essential to the region's continued growth and vitality and is a critical component of *Communities in Motion 2050*. Therefore, one of the most important aspects of the *Transportation Funding and Governance Study* is to provide insight into how public transportation is funded in each of the 50 states at the local, regional, and state levels. This analysis also assesses recent trends in public transportation funding in a set of peer states with comparable characteristics to Idaho and analyzes the revenue potential of promising public transportation funding strategies if they were deployed in the Treasure Valley.

1.2.3 Suballocating Federal Transportation Funds within States

The Surface Transportation Block Grant (STBG) Program is one of the nine core formula funding programs within the Federal-Aid Highway Program. Together, these programs provided over $54.6 billion in formula funding to state DOTs in fiscal year (FY) 2024.[2] Over 23 percent of that amount flows through the STBG program, which is the most flexible of the core programs. STBG funding is also notable because a specified percentage of each state's STBG apportionment is suballocated to local regions. This is the only federal highway funding that is passed on directly to local regions, with Title 23 United States Code 133(d)(1)(A) calling for 55 percent of each state's annual STBG apportionment to be distributed to regional governments, and the remaining 45 percent available for use anywhere in the state.

Per the Bipartisan Infrastructure Law of 2021, the suballocated funds are distributed to areas with the following four population ranges based on census data indicating their relative share of the states' population:

- Urbanized areas of the state with a population over 200,000
- Areas of the state with a population of not less than 50,000 and not more than 200,000
- Areas of the state with a population of not less than 5,000 and not more than 49,999
- Rural areas of the state with a population of less than 5,000

Nonetheless, varying governance structures, policies, and processes provide states flexibility regarding how they suballocate STBG funds.

To understand how Idaho's STBG suballocation practices compare to those in other states, the *Transportation Funding and Governance Study* undertook pioneering research to gain insight into the specific policy mechanisms that determine how STBG funds are distributed in all states. Specific research questions involve: (1) determining the role of the state legislature in allocating federal transportation revenue to state DOTs; (2) identifying the policies, processes, and methodologies used to suballocate STBG funds to local governments; and (3) identifying how the

[1] In Idaho, local sales taxes are not authorized, except for resort cities with populations of 10,000 or less which may authorize local taxes for public transportation.

[2] Congressional Research Service Report R47022, Federal Highway Programs: In Brief, 2022. Available online at: https://crsreports.congress.gov/product/pdf/R/R47022/1, p. 5.

actual suballocation of STBG funds compares to the Federal Highway Administration (FHWA) computational tables for all 50 states.

1.2.4 Implementing Alternative Road Usage Charge Programs

The motor fuel tax is the primary funding source supporting transportation investment needs at both the federal and state levels. However, the long-term sustainability of the motor fuel tax as a viable funding source is limited due to improvements in fuel efficiency and the transition to EVs. The RUC is a new and evolving alternative revenue model that charges motorists based on vehicle miles traveled. Many states are evaluating, and a smaller number are implementing, RUC programs to address projected long-term transportation revenue declines. While there is great interest in RUC, there is a significant lack of research that objectively evaluates and compares the different states' programs. One of the primary objectives of the *Transportation Funding and Governance Study* is to collect up-to-date data, policy details, and performance measures regarding each state's efforts in implementing a RUC program.

The purpose of the analysis is to document RUC pilots and programs and provide a synthesis of key considerations and best practices. The research intended to help inform decision-making in Idaho by COMPASS and its stakeholders on future RUC policies and possible deployments in the state. The research results highlight challenges, illustrate operational concepts, and describe reporting and payment solutions that have been demonstrated as viable solutions for RUC implementation, operation, and administration.

1.3 Structure of the Final Report

This final report synthesizes the findings of the *Transportation Funding and Governance Study* and provides an analysis of each of the four policy areas. The intent is to inform decision-making and identify strategies that may help COMPASS and its stakeholders fill the $5.4 billion transportation investment shortfall identified through the *Communities in Motion 2050* planning process.

Chapter 2 is a review of recent trends, both nationally and in a cohort of five peer states with similar characteristics to Idaho, regarding revenues devoted to transportation, expenditures and finance mechanisms, congestion relief, and public transportation policy and finance. Chapter 2 also includes a national review of current RUC pilots and programs.

Chapter 3 provides technical analyses and recommendations in each of the policy areas. It begins by identifying a series of 11 local transportation funding mechanisms that are used in other states across the United States and estimates their revenue potential if they were deployed in the Treasure Valley.

Chapter 3 continues with a review of recent public transit funding measures and related legislative activity that have been used at both the state and local levels across the U.S. It then identifies a subset of the most promising state and local level public transit funding strategies, together with next steps that would need to be taken to deploy them in the Treasure Valley. Chapter 3 also reviews the findings from the STBG suballocation and RUC assessments, and recommendations on strategies that could be pursued in both areas to support investment in transportation in the Treasure Valley.

Chapter 4 identifies a series of measures that COMPASS and its stakeholders could take in each of the four policy areas that may prove relevant to supporting transportation investment needs and the future growth, economic vitality, and quality of life in the Treasure Valley.

CHAPTER 2. RECENT TRENDS IN TRANSPORTATION FUNDING

2.1 Trends in Revenues, Expenditures, and Finance Mechanisms

As part of the research on Funding Mechanisms for State Transportation Improvements for the *Transportation Funding and Governance Study,* the research team performed desktop research to identify funding and financing mechanisms enabled by state governments for use at the state level, including motor fuel taxes, vehicle registration fees, general revenues, tolls, and an array of other sources and mechanisms. The research also identified expenditure types and levels for state-level transportation investments.

A 50-state profiles data set (Excel workbook) was developed as a practical tool to navigate funding and financing options available at the state level for all 50 states. Note that the information in both the data set and this chapter is current as of its submission to COMPASS. However, this information will become outdated as the funding landscape continues to evolve, and new policies and challenges emerge.

Research on recent trends was intended to support COMPASS's identification of funding and financing sources to support the development and implementation of transportation investments in the Treasure Valley at the state level. This chapter aligns with the scope established by COMPASS for the *Transportation Funding and Governance Study* and identifies recent trends in revenues and expenditures at the state level, as well as strategies and the types of investments that peer states are adopting to address transportation sector challenges, including congestion relief and the transition to zero-emission vehicles. **Section 2.2** provides the methodology for identifying Idaho's peer states, **Section 2.3** discusses the recent trends at the national level, while **Section 2.4** focuses on these recent trends in what were identified as Idaho's peer states: Georgia, North Dakota, South Carolina, Tennessee, and Utah. Section 2.4 also includes information gathered from research on recent trends in public transportation policy and finance in the peer states. **Section 2.5** summarizes the current state of play in piloting and deploying RUC across the United States.

2.2 Methodology for Selecting Peer States

A number of factors were considered in identifying Idaho's peer states using data from the 2010 and 2020 U.S. Census Bureau,[3] FY 2024 Computations for the STBG suballocation from the FHWA,[4] and the 2020 Federal Election Results from the Federal Election Commission.[5] A score was then assigned to help rank the states and identify peer states to Idaho. The score was based on the following four criteria:

1. **2010 Census to 2020 Census Population Growth Percent Change:** Idaho ranked second in population growth from 2010 to 2020, with a growth of 17 percent. States with a population growth of over 10 percent between 2010 and 2020 were assigned a higher score.

[3] U.S. Census Bureau Data Website. Accessed online at: https://data.census.gov/.

[4] Computations for Fiscal Year (FY) 2024 Surface Transportation Block Grant Program (STBG) funds. Accessed online at: https://www.fhwa.dot.gov/bipartisan-infrastructure-law/comptables/table4p1-1.cfm.

[5] 2020 Federal Election Results, Federal Election Commission. Accessed online at: https://www.fec.gov/introduction-campaign-finance/election-results-and-voting-information/federal-elections-2020/.

2. **2020 Election- Republican Vote Share:** Using the 2020 Presidential Election results as a simple proxy for the state's political profile, the research team considered the percentage of votes allocated to the Conservative Party Nominee in the 2020 Presidential Election. Idaho ranked fifth in Republican Vote Share across all states. Prioritizing geographic proximity, states with a simple majority republican vote (i.e., over 50 percent of votes going to the Conservative Party Nominee) and sharing a border with Idaho were assigned a high rating. States within five percentage points of Idaho's vote share results were assigned an even higher score.
3. **Urban versus Rural Population Distribution:** 69 percent of Idaho residents live in urban areas, ranking 30th in the country. States with an urban area share within five percentage points of 69 percent were then assigned a high rating.
4. **Transportation Management Area Population:** Similarly, states were ranked by percentage of residents in areas with a population of over 200,000 according to the 2024 STBG computational tables. Idaho ranks 42nd in the country with 24 percent of residents living in areas of over 200,000. States with a share of the population living in areas with more than 200,000 residents that fall within five percentage points of 24 percent were assigned a high rating.

According to the criteria established above, the five states rated as most similar to Idaho are North Dakota, Utah, South Carolina, Tennessee, and Georgia. More specifically, Figure 1 summarizes the factors contributing to the selection of each peer state.

Figure 1 Selection of Peer States

Georgia	North Dakota	South Carolina	Tennessee	Utah
• 11% population growth between 2010 and 2020 •74% of the state's population living in urban areas	• 16% population growth between 2010 and 2020 •22% of the state's population living in areas with more than 200,000 residents •Similar political profile	• 11% population growth between 2010 and 2020 •68% of the state's population living in urban areas	• 66% of the state's population living in urban areas •Similar political profile	• 18% population growth between 2010 and 2020 •Similar political profile, and proximity to Idaho

2.3 National Trends

Revenues

For decades state-level transportation investments have typically been funded by two primary revenue sources: motor fuel tax receipts and vehicle registration fees. Due to several factors, including the improved fuel economy of motor vehicles, rising project delivery costs, and the transition to electricity-powered vehicles, states have had to re-evaluate this funding paradigm to identify additional revenue to meet their investment needs. Since 2016, motor fuel tax receipts have declined as a percentage of all transportation revenues nationally from 41.1 percent in FY

2016 to 37.6 percent in FY 2023[6]. According to a report published by The Pew Charitable Trusts, an independent nonprofit non-governmental organization, gas tax revenue in some states is either already declining or projected to decline in the coming years. In addition to declines in motor fuel tax revenue itself, the report claims that existing revenue has decreased purchasing power due to the rising costs of delivering capital transportation projects.[7] The Pew Charitable Trusts report highlights several challenges associated with declining motor fuel tax revenues in West Virginia, New York, Connecticut, and Colorado; and projects that revenue from the motor fuel tax will decline in the coming decade.[8]

- A long-term plan published by West Virginia's Department of Transportation in 2021 indicated fuel tax revenue falling by 11 percent to 20 percent through 2030, and as much as 52 percent from 2031 through 2050.
- Projections from the New York State Division of the Budget forecast gas tax revenue peaking in FY 2024 and then declining slightly each year through FY 2027.
- A 2021 analysis from Connecticut's Office of Policy Management determined that fuel tax revenue had declined 4.2 percent over the last decade and projected a continued slide through FY 2026.
- Colorado's latest Long-Range Financial Plan notes that weak gas tax revenue growth has led policymakers to turn to other sources of money to pay for transportation costs. That includes a total of more than $1 billion from the general fund in the last five years.

To counter declines in motor fuel tax receipts, 34 states and the District of Columbia have increased their gas tax since 2013, and 24 states and the District of Columbia now have either indexed or implemented variable rate state gasoline taxes, where the cents-per-gallon charge at the pump is adjusted based on a pre-determined formula designed to keep place with factors such as inflation and increases in construction costs.[9]

A key driver of declining motor fuel tax receipts is the transition to zero-emission vehicles, including electric vehicles (EVs). While EVs represent a small percentage of all currently registered vehicles, at about 1 percent of new registrations, sales of electric cars and commercial trucks continue to grow. In the first three quarters of 2023, EV registrations grew to 9.8 percent of all new vehicle purchases nationally. Several states exceed that benchmark by far, most notably California at almost 26 percent.[10] As EVs and hybrid EVs expand on the roadways, state budgets and revenues will be affected by reduced fuel tax revenues and increased fuel efficiencies. EVs also require charging infrastructure, and impact roadway maintenance needs due to their weight relative to non-EVs, creating new capital

[6] 2023 State Expenditure Report, Fiscal Years 2021-2023, National Association of State Budget Officers. Accessed online at: https://higherlogicdownload.s3.amazonaws.com/NASBO/9d2d2db1-c943-4f1b-b750-0fca152d64c2/UploadedImages/SER%20Archive/2023_State_Expenditure_Report-S.pdf.

[7] "As Electric Vehicle Growth Squeezes Gas Tax Revenues, Data Helps States Prepare," Pew Charitable Trusts. Accessed online at: https://www.pewtrusts.org/en/research-and-analysis/articles/2022/10/03/as-electric-vehicle-growth-squeezes-gas-tax-revenues-data-helps-states-prepare.

[8] "As Electric Vehicle Growth Squeezes Gas Tax Revenues, Data Helps States Prepare," Pew Charitable Trusts. Accessed online at: https://www.pewtrusts.org/en/research-and-analysis/articles/2022/10/03/as-electric-vehicle-growth-squeezes-gas-tax-revenues-data-helps-states-prepare.

[9] "Variable Rate State Gas Taxes," American Road & Transportation Builders Association (ARTBA. Accessed online at: https://transportationinvestment.org/wp-content/uploads/2024/06/Variable_Rate_2024.pdf.

[10] The Emerging Highway and Roads Revenue Gap, Syracuse University Dynamic Sustainability Lab. Accessed online at: https://www.dynamicslab.org/_files/ugd/62a0d3_a0213662a85c40339efc32a4ec443853.pdf.

and increased operating funding needs for the nation's transportation network. To counteract these increased costs, many states have enacted increased fees on hybrid and EVs and have imposed taxes on the sale of electricity.[11,12]

An overview of states' revenue sources used to fund transportation indicates that 39 states have adopted EV annual registration fees, and 18 states have adopted plug-in hybrid vehicle fees.[13] These EV fees typically range from $50 to $250 per year. At least five states—California, Indiana, Michigan, Mississippi, and Utah—structure the additional registration fees to grow over time by tying the fees to the Consumer Price Index (CPI) or other inflation-related metrics. These states are striving to avoid the declining purchasing power of fuel tax revenue due to years of fixed-rate structures.

As states begin to expand their EV charging infrastructure, they will also enact associated fees to compensate for the anticipated loss of fuel tax revenue. In fact, eight states (i.e., Pennsylvania, Iowa, Oklahoma, Kentucky, Georgia, Utah, Montana, and Wisconsin) have enacted an EV charging station tax or fee. Most states have created these fees during the last two legislative sessions. Stakeholders hope the fees will capture revenue from out-of-state EV drivers who otherwise would not pay into a state's transportation fund.[14]

Furthermore, many states have identified new revenue sources by implementing taxes on new ground transportation services. According to the National Conference of State Legislatures, 18 states and the District of Columbia have adopted transportation network company (e.g., Uber and Lyft) fees. Seven of those states dedicate fee revenues to transportation.[15] According to the American Road and Transportation Builders Association, two states (Colorado and Minnesota) have enacted retail delivery fees. Colorado's $0.27 fee (adjusted annually) on deliveries made by motor vehicles was approved in 2021 and is estimated to generate $18.8 million in FY 2024. In Minnesota, a flat $0.50 fee on retail deliveries over $100 is projected to generate $65.3 million in FY 2027.[16]

Expenditures and Finance Mechanisms

Research conducted by the National Association of State Budget Officers (NASBO) determined that total state expenditures on transportation have increased from FY 2019 to FY 2023,[17] while state spending from bond proceeds has fluctuated from FY 2019 to FY 2023 (see **Table 1**).[18] According to NASBO's 2023 State Expenditure Report, transportation spending in all states in FY 2023 was $213.8 billion, representing 7.2 percent of all state

[11] Special Fees on Plug-In Hybrid and Electric Vehicles Brief, National Conference of State Legislatures. Accessed online at: https://www.ncsl.org/energy/special-fees-on-plug-in-hybrid-and-electric-vehicles#fees.

[12] Vehicle Charging Station Fees, American Road & Transportation Builders Association (ARTBA). Accessed online at: https://transportationinvestment.org/wp-content/uploads/2024/04/EV_Charging_Station_Fees_April_2024.pdf.

[13] "State Electric Vehicle Fees," Accessed online at: American Road & Transportation Builders Association: State_Electric_Vehicle_Fees_Aug_2024.pdf (transportationinvestment.org).

[14] "Shifting Gears to Find a Gas Tax Alternative and Fight Impaired Driving", National Council of State Legislatures: https://www.ncsl.org/state-legislatures-news/details/shifting-gears-to-find-a-gas-tax-alternative-and-fight-impaired-driving

[15] State Transportation Funding Trends, National Council of State Legislatures: https://videos.ncsl.org/DesktopModules/EasyDNNNews/DocumentDownload.ashx?portalid=0&moduleid=379&articleid=378&documentid=35

[16] American Road & Transportation Builders Association (ARTBA), Retail Package Delivery Fees: https://transportationinvestment.org/wp-content/uploads/2023/10/Retail_Package_Delivery_Fees.pdf

[17] 2021-2023 data: 2023 State Expenditure Report, Fiscal Years 2021-2023, National Association of State Budget Officers: https://www.nasbo.org/reports-data/state-expenditure-report; 2019 and 2020 data: 2021 State Expenditure Report, Fiscal Years 2019-2021, National Association of State Budget Officers: https://www.nasbo.org/reports-data/state-expenditure-report/state-expenditure-archives

[18] 2023 State Expenditure Report, Fiscal Years 2021-2023, National Association of State Budget Officers: https://www.nasbo.org/reports-data/state-expenditure-report

expenditures. This amount increased by 12.9 percent in FY 2023 relative to FY 2022 and increased by 9.6 percent in FY 2022 from FY 2021. In FY 2023, total state-level (general funds and other state funds combined) expenditures on transportation rose by 18.6 percent, and federal fund expenditures rose by 15.9 percent relative to FY 2022. Transportation spending from bond proceeds increased by 40.3 percent from FY 2021 to FY 2022 due to large bond issuances in California and New York. Bond proceeds spending then declined by 28.3 percent from FY 2022 to FY 2023. In FY 2023, transportation saw the largest percentage increase among all state spending categories for all funds, state funds, and federal funds.[19]

Table 1: Transportation Expenditures in All 50 States from 2019 to 2023 ($ in Millions).

	2019	2020	2021	2022	2023[a]
General Fund[b]	$ 8,965	$ 8,076	$ 5,253	$ 7,708	$ 15,111
Federal Funds	$ 44,537	$ 47,296	$ 48,264	$ 49,105	$ 56,933
Other State Funds[c]	$ 101,374	$ 104,436	$ 104,730	$ 112,251	$ 127,183
Bonds[d]	$ 13,706	$ 13,616	$ 14,451	$ 20,280	$ 14,532
Total	**$ 168,582**	**$ 173,424**	**$ 172,698**	**$ 189,344**	**$ 213,759**
Year-to-Year Percent Change	8.22%	2.87%	-0.42%	9.64%	12.89%
Percentage of All State Expenditures	**8.00%**	**7.60%**	**6.50%**	**6.80%**	**7.20%**

Source: National Association of State Budget Officers
Notes:

a. 2023 figures are estimated by NASBO.
b. The general fund refers to the predominant fund for financing a state's operations. Revenues are received from broad-based state taxes with differences in how specific functions are financed from state to state.
c. Other state funds refer to expenditures from revenue sources that are restricted by law for governmental activities. For example, a gasoline tax dedicated to a transportation fund.
d. Bonds refer to expenditures from the sale of bonds.

Congestion Relief

Research associated with U.S. urban traffic congestion determined mixed trends in 2023, which represents the most recent year for which FHWA data are available. Traffic volumes in fifty-two of the nation's largest metropolitan areas continued to increase in 2023, following annual increases from 2020 to 2022. Congestion at the national level has not yet reached 2019 levels and can be examined through three measures: average daily congested hours on freeways, Travel Time Index and Planning Time Index. Results indicate that (1) Average daily congested hours on freeways decreased by 10 minutes from 2 hours and 55 minutes in 2022 to 2 hours and 45 minutes in 2023; (2) The ratio of peak period travel times to the time required to make the same trip at free-flow speeds (i.e., Travel Time Index) increased slightly from 1.22 to 1.24 from 2022 to 2023, and (3) The Planning Time Index increased from

[19] 2023 State Expenditure Report, Fiscal Years 2021-2023, National Association of State Budget Officers: https://www.nasbo.org/reports-data/state-expenditure-report

1.80 to 1.88 between 2022 and 2023, indicating decreased travel time reliability.[20] While 65 percent of metropolitan areas saw no change or mixed results across measures from 2022 to 2023, 27 percent experienced worsening congestion across all three measures, and 8 percent improved in all three measures from 2022.[21]

At the federal level, the Bipartisan Infrastructure Law of 2021 includes several funding programs aimed at relieving congestion. For example, the Congestion Relief Program makes $50 million available annually to states, MPOs, cities, and municipalities to reduce traffic congestion in metropolitan areas. The program's goals include improving intermodal integration on highways; and using pricing on roadways and geographic zones, parking, and targeted congested areas to relieve congestion.[22]

According to the National League of Cities,[23] many cities and MPOs are using High-Occupancy Toll (HOT) lanes to reduce congestion at peak travel times. The FHWA states that HOT lanes involve "converting existing high-occupancy lanes into priced lanes, which allow vehicles not meeting established occupancy requirements for an HOV lane to 'buy-into' the lane by paying a toll."[24] According to the Reason Foundation, there are as many as 60 express toll lane projects in operation across the country.[25]

Major cities, including Nashville,[26] are developing networks of price-managed lanes. Many of the largest highway capacity expansion projects across the country involve adding price-managed lanes to existing congested highway corridors. According to the FHWA's Office of Operations, these price-managed lanes typically involve varying the price of using a lane during certain periods to manage demand (increasing the price during peak periods and decreasing it during off-peak periods), allowing certain vehicles or restricting others (e.g., limiting truck usage of the lane during peak periods), and controlling access (limiting entry and exit points to maintain the flow of vehicles).[27]

2.4 Trends in Idaho's Peer States

The trends listed in the following subsections for each peer state reflect publicly available data and information published by public entities in each peer state. The objective of this research was to collect consistent data across

[20] Travel Time Index (TTI) represents a time penalty for a trip on an average day. A TTI of 1.30 indicates a 20-minute free-flow trip takes 26 minutes (20 × 1.30) in the rush hours (weekdays 6 a.m. to 9 a.m. and 4 p.m. to 7 p.m. Planning Time Index (PTI) represents a time penalty for a trip to be on time for 95 percent of trips (e.g., late for work on 1 day per month). A PTI of 1.60 indicates a 20-minute free-flow trip takes more than 32 minutes (20 × 1.60) 1 day per month.

[21] FHWA 2022 Urban Congestion Trends. Accessed online at: https://ops.fhwa.dot.gov/publications/fhwahop23010/fhwahop23010.pdf.

[22] Biden-Harris Administration Opens First Round of Applications for $250 Million to Reduce Traffic in Urban Areas, Federal Highway Administration Press Office. Accessed online at: https://highways.dot.gov/newsroom/biden-harris-administration-opens-first-round-applications-250-million-reduce-traffic.

[23] Innovative Ways to Deal with Traffic Congestion & Road Funding, National League of Cities. Accessed online at: https://www.nlc.org/article/2022/08/03/innovative-ways-to-deal-with-traffic-congestion-road-funding/#:~:text=Examples%20of%20eligible%20projects%20include%3A%201%20Deployment%20and,users%20to%20carpool%20or%20use%20non-highway%20travel%20modes.

[24] High-Occupancy Toll Lanes (Partial Facility Pricing), Office of Operations, Federal Highway Administration. Accessed online at: https://ops.fhwa.dot.gov/congestionpricing/strategies/involving_tolls/hot_lanes.htm.

[25] Win-Win Transportation Benefits of Express Toll Lanes, Reason Foundation. Accessed online at: https://reason.org/transportation-news/questions-about-the-key-bridge-replacement/#b.

[26] Interstate 24 Southeast Choice Lanes, Tennessee Department of Transportation. Accessed online at: https://www.tn.gov/tdot/projects/region-3/interstate-24-choice-lanes-.html.

[27] "Managed Lanes: A Primer, Federal Highway Administration Office of Operations." Accessed online at: https://ops.fhwa.dot.gov/publications/managelanes_primer/.

peer states, but in all cases, states have varying levels of publicly available information on state revenues, expenditures, finance mechanisms, and how the state addresses congestion relief and the transition to EVs.

2.4.1 Georgia

Revenues

In 2022, the Georgia Department of Transportation (GDOT) conducted two forecasts for motor fuel tax revenue from 2022 to 2050. The first is an optimistic forecast that projects an average 0.6 percent annual increase in gas tax revenues over the analysis period. The second is a conservative forecast that projects an average 0.2 percent increase annually over the analysis period. The study concluded that the projected increase in total vehicle miles traveled will counteract the projected increase in EV ownership. Georgia's motor fuel tax is indexed to the fuel efficiency of registered vehicles in Georgia and the CPI, which contributed to the increase. The study found that while total motor fuel consumption increased in Georgia between 2000 and 2019 period, it decreased on a per capita basis.[28]

GDOT recommends five options for supplementing motor fuel receipts:

1. The state should apply the Alternative Fuel Vehicle (AFV) registration fee to plug-in hybrid EVs and other AFVs, such as natural gas and hydrogen at a reduced rate.
2. The state should not eliminate the annual CPI adjustment and extend the indexing to the AFV fee.
3. As an alternative to indexing to the CPI, the state should consider indexing both the motor fuel tax rate and the AFV fee to the National Highway Construction Cost Index.
4. The state should consider implementing a new fee or modifying the existing registration fee structure to impose a higher tax by vehicle weight.
5. The Georgia Department of Revenue should maintain a database of motor vehicle registrations, including information on the make, model, model year, fuel type, body style, trim level, number of cylinders, gross weight, and county and date of registration for each vehicle registered in the state. This database should be updated at least annually and made available to the GDOT for analysis. Furthermore, the Georgia Department of Revenue should maintain these annual databases over many years so that time-series analysis may be conducted to understand trends and changes in vehicle ownership and adoption over time.

In addition, the General Assembly enacted HB 105 implementing a state ride-share fee to supplement the GDOT's budget in 2020.[29] To prepare for the eventual transition to zero-emission vehicles, Georgia's General Assembly also enacted Senate Bill 146 in 2023, which imposed a state tax on the sale of electricity for EV charging purposes.[30]

[28] Georgia DOT 2022 Motor Fuel Revenue Forecast. Accessed online at: https://rosap.ntl.bts.gov/view/dot/61000/dot_61000_DS1.pdf.

[29] 2020 GA House Bill 105 Text. Accessed online at: https://trackbill.com/bill/georgia-house-bill-105-income-tax-certain-income-received-by-taxpayers-as-payments-from-a-disaster-relief-or-assistance-program-administered-by-the-united-states-department-of-agriculture-in-connection-with-hurricane-michael-exempt/1662636/.

[30] 2023 GA Senate Bill 146 Text. Accessed online at: https://trackbill.com/bill/georgia-senate-bill-146-georgia-public-service-commission-regulation-and-taxation-of-the-provision-of-certain-electricity-used-as-a-motor-fuel-in-electric-vehicles-provide/2363019/#:~:text=Georgia%20SB146%202023-2024%20A%20BILL%20to%20be%20entitled,to%20repeal%20conflicting%20laws%20and%20for%20other%20purposes.

Georgia has also implemented an annual registration fee for EVs, first passed in 2015.[31] Finally, the GDOT is exploring the possibilities of adding new vehicle registration fees or modifying existing registration fee structures to impose higher fees on heavier vehicles and hybrid vehicles.[32]

Expenditures and Finance Mechanisms

According to data from NASBO,[33] Georgia spent between $3.78 billion and $4.37 billion per year on transportation between 2019 and 2023 (see **Table 2**). These expenditures range from 6.1 percent to 10.4 percent of the state's total budget. Annual spending from bond proceeds steadily decreased from $212 million in 2019 to $0 in 2023.

Table 2: Transportation Expenditures in Georgia, 2019-2023 ($ in Millions).

	2019	2020	2021	2022	2023[a]
General Fund	$ 1,862	$ 1,874	$ 1,740	$ 1,849	$ 2,269
Federal Funds	$ 1,330	$ 1,535	$ 1,669	$ 1,400	$ 1,521
Other State Funds	$ 371	$ 645	$ 807	$ 782	$ 98
Bonds	$ 212	$ 152	$ 152	$ 113	$ -
Total	**$ 3,775**	**$ 4,206**	**$ 4,368**	**$ 4,144**	**$ 3,888**
Percentage of All State Expenditures	**10.40%**	**9.50%**	**6.80%**	**6.10%**	**6.20%**

Source: National Association of State Budget Officers
Note: a. 2023 figures are estimated by NASBO

According to GDOT's 2021 Statewide Strategic Transportation Plan, GDOT plans to invest an average of $2.38 billion per year from 2021 to 2050. Approximately 40 percent of these revenues will be spent on capacity expansion projects ($948 million), and 60 percent ($1.432 billion) will be spent on roadway maintenance and safety.[34] Georgia is also preparing to invest in needed infrastructure upgrades to prepare for the eventual transition to ZEVs. Aligning with the National Electric Vehicle Infrastructure program, the state is building out 1,623 miles of alternative fuel corridors.

[31] Georgia Electric Vehicle Infrastructure Deployment Plan, August 2023. Accessed online at: https://gdot.maps.arcgis.com/sharing/rest/content/items/3bba0e52c8074e8caf81483fc2fd0de2/data.

[32] 2050 Statewide Transportation Plan, Georgia Department of Transportation. Accessed online at: https://www.dot.ga.gov/InvestSmart/SSTP/GDOT_FINAL_2021SSTP-2050SWTP.pdf.

[33] 2021-2023 data: 2023 State Expenditure Report, Fiscal Years 2021-2023, National Association of State Budget Officers. Accessed online at: https://www.nasbo.org/reports-data/state-expenditure-report. 2019 and 2020 data: 2021 State Expenditure Report, Fiscal Years 2019-2021, National Association of State Budget Officers. Accessed online at: https://www.nasbo.org/reports-data/state-expenditure-report/state-expenditure-archives.

[34] 2050 Statewide Transportation Plan, Georgia Department of Transportation. Accessed online at: https://www.dot.ga.gov/InvestSmart/SSTP/GDOT_FINAL_2021SSTP-2050SWTP.pdf.

Congestion Relief

Congestion reduction was named one of the top three concerns by Georgia residents in GDOT's public outreach conducted as part of its 2050 Statewide Transportation Plan.[35] INRIX, a global traffic data firm, ranked Atlanta as the 10th most congested city in the United States and the 31st most congested city in the world in 2022.[36] To respond to these congestion challenges, GDOT is embarking on its Major Mobility Investment Program, including interstate widening and interchange improvements. GDOT has also introduced managed lanes through public-private partnerships (P3s).[37]

Public Transportation

Recent state-level public transportation funding policy in Georgia has been significantly shaped by the Transportation Funding Act of 2015 (HB 170) and the establishment of the Transit Trust Fund in 2021 (HB 105).[38,39] The Transportation Funding Act provides essential financial support for various transportation projects, including public transit, through mechanisms such as motor fuel excise taxes. The Transit Trust Fund, a dedicated annual state funding source, allocates approximately $27 million to public transit systems across Georgia, ensuring a stable financial foundation for expanding and improving transit services. This fund is sourced from a per-ride tax on ride-sharing services and is crucial for supporting new transit projects rather than ongoing operations. At the local level, Georgia's municipalities rely heavily on local sales taxes to fund public transportation. Notably, the Special Purpose Local Option Sales Tax and the Transportation Special Purpose Local Option Sales Tax are critical in generating revenue for transit.

2.4.2 North Dakota

Revenues

The state's budget for the 2023-2025 biennium forecasts a 12.6 percent decline in oil and gas tax revenues from the previous biennium. The state budget also proposes shifting revenue from a portion of motor vehicle excise taxes from the general fund to the transportation fund to support state investment in road and bridge infrastructure.[40]

Historically, not all motor fuel tax revenues are directed to the state's Department of Transportation. To counteract these declines in revenues, North Dakota implemented an additional (i.e., added to the standard vehicle registration fee) EV registration fee of $120 per year in 2019, as well as the $50 per year fee for hybrid vehicles and $20 per year fee for electric motorcycles. With these additional registration fees in place, the state collects $16 more per year from the average vehicle through the EV supplemental registration fee than through the motor fuel tax receipts

[35] 2050 Statewide Transportation Plan, Georgia Department of Transportation. Accessed online at: https://www.dot.ga.gov/InvestSmart/SSTP/GDOT_FINAL_2021SSTP-2050SWTP.pdf.

[36] INRIX 2022 Traffic Scorecard Report, Atlanta. Accessed online at: https://inrix.com/scorecard-city/?city=Atlanta%2C%20GA&index=47.

[37] 2050 Statewide Transportation Plan, Georgia Department of Transportation. Accessed online at: https://www.dot.ga.gov/InvestSmart/SSTP/GDOT_FINAL_2021SSTP-2050SWTP.pdf.

[38] What is TFA, Georgia Department of Transportation. Accessed online at: https://www.dot.ga.gov/InvestSmart/TransportationFundingAct/Documents/General/WhatIsTFA.pdf.

[39] Transit Trust Fund Program General Guidelines – SFY2023, Georgia Department of Transportation: Accessed online at: https://www.dot.ga.gov/InvestSmart/Transit/Documents/TTFP/TTFP_GeneralGuidelines_SFY2023.pdf.

[40] North Dakota Budget Profile, National Association of State Budget Officers. Accessed online at: https://www.nasbo.org/mainsite/resources/proposed-enacted-budgets/northdakota-budget#:~:text=General%20fund%20revenues%20in%20the,earnings%20in%20the%20upcoming%20biennium.

for the average vehicle.[41] North Dakota expects to generate an additional $279,000 in annual EV registration fee revenue by 2030, under an aggressive EV adoption scenario, and an additional $210,000 by 2030 in a moderate EV adoption scenario relative to revenue generated by non-EV registration fees and motor fuel tax revenues.[42]

Expenditures

According to data from NASBO, North Dakota spent between $666 million and $4.14 billion per year on transportation between 2019 and 2023 (see **Table 3**).[43] The expenditures ranged from 6.6 percent to 8.5 percent of the state's total budget. Annual expenditures on transportation from the state's general fund were comparatively minimal, while the state's largest source of funds for its expenditures was federal funding.

Table 3: Transportation Expenditures in North Dakota from 2019 to 2023 ($ in Millions)

	2019	2020	2021	2022	2023[a]
General Fund	$ 7	$ 13	$ 3	$ -	$ -
Federal Funds	$ 331	$ 1,535	$ 1,669	$ 1,400	$ 1,521
Other State Funds	$ 328	$ 645	$ 807	$ 782	$ 98
Bonds	$ -	$ 152	$ 152	$ 113	$ -
Total	**$ 666**	**$ 4,206**	**$ 4,368**	**$ 4,144**	**$ 3,888**
Percentage of All State Expenditures	**6.60%**	**6.90%**	**8.50%**	**6.90%**	**7.40%**

Source: National Association of State Budget Officers
Note: a. 2023 figures are estimated by NASBO.

According to North Dakota's 2023 State Transportation Improvement Program, North Dakota plans to invest an average of $77.1 million per year for FY 2023 through FY 2026; with about 84 percent spent on programs including the State Highway Construction Program, Bridge Program, and Emergency Relief; and the remaining 16 percent on funding maintenance and operations.[44]

In 2021, the North Dakota Legislature passed HB 1431 establishing a $680 million bonding package, which includes $35 million for state bridge repair and $35 million for the North Dakota Department of Transportation to

[41] Revenue- Electric Vehicles and Gas Tax, North Dakota Department of Transportation. Accessed online at: https://www.dot.nd.gov/sites/www/files/documents/about-us/NDDOT-Revenue-EVsAndGasTax.pdf.

[42] Motor Fuel Tax Supplement, North Dakota Electric Vehicle Infrastructure Program, North Dakota Department of Transportation. Accessed online at: https://www.dot.nd.gov/sites/www/files/documents/about-us/NDDOT-Revenue-MotorFuelTaxSupplement.pdf.

[43] 2021-2023 data: 2023 State Expenditure Report, Fiscal Years 2021-2023, National Association of State Budget Officers: https://www.nasbo.org/reports-data/state-expenditure-report; 2019 and 2020 data: 2021 State Expenditure Report, Fiscal Years 2019-2021, National Association of State Budget Officers. Accessed online at: https://www.nasbo.org/reports-data/state-expenditure-report/state-expenditure-archives.

[44] 2023 State Transportation Improvement Program, North Dakota Department of Transportation. Accessed online at: https://www.dot.nd.gov/sites/www/files/documents/construction-and-planning/Final%20STIP%202023-2026.pdf.

leverage federal dollars to invest in North Dakota projects. $50 million was allocated toward an infrastructure revolving loan fund to support city and county infrastructure projects, including transportation projects.[45]

Specific to EVs, North Dakota has adopted an Electric Vehicle Infrastructure Plan, which will build out the two existing alternative fuel corridors (I-29 and I-94) to full compliance with the National Electric Vehicle Infrastructure program by 2026, with a total of 10 stations throughout the corridors.[46]

Congestion Relief

According to a 2021 report published by TRIP, a national transportation research nonprofit, traffic congestion in North Dakota is limited to the state's urban areas. Drivers in Bismarck and Fargo lose an average of 17 hours and $326 per year due to traffic congestion.[47]

Public Transportation

In North Dakota, recent state-level transportation funding policies have focused on enhancing public transportation through state-funded initiatives. In 2023, the North Dakota Legislative Assembly enacted SB 2113,[48] which established the Flexible Transportation Fund. This fund is designed to provide a more adaptable funding stream for various transportation projects, including public transit, to complement the existing state highway fund and demonstrate the state's commitment to improving public transit options.

At the municipal level, local governments in North Dakota have been actively pursuing diversified funding strategies to support public transit systems. Cities and towns have increasingly utilized local option sales taxes and special assessments to generate revenue for transportation projects. The implementation of Tax Increment Financing (TIF) districts, first enacted in 1973 and revised in 1989 has helped stimulate economic development and fund transit-related infrastructure improvements within designated areas.[49] Additionally, municipalities collaborate with regional planning organizations to secure more funding and emphasize community engagement to ensure transportation projects meet residents' needs.

2.4.3 South Carolina

Revenues

The increasing cost of roadway maintenance has led the South Carolina Department of Transportation (SCDOT) to seek additional funding from the state legislature. These challenges led to the General Assembly's passage of the South Carolina Infrastructure and Economic Development Reform Act. This legislation included, among other changes, an increase to the state's motor fuel tax rate by two cents per gallon annually from 2017 to 2022, up to 28 cents per gallon, and implemented a biennial EV registration fee of $120 to generate an additional $600M for

[45] 2021 ND House Bill No. 1431 Text. Accessed online at: https://ndlegis.gov/assembly/67-2021/regular/documents/21-0899-06000.pdf.

[46] Electric Vehicle Infrastructure Plan, North Dakota Department of Transportation. Accessed online at: https://www.dot.nd.gov/sites/www/files/documents/construction-and-planning/North-Dakota-EV-Plan.pdf.

[47] Keeping North Dakota Moving, TRIP. Accessed online at: https://tripnet.org/wp-content/uploads/2021/04/TRIP_Keeping_North_Dakota_Moving_Forward_Report_April_2021.pdf.

[48] Senate Bill No. 2113, Sixty-eighth Legislative Assembly of North Dakota. Accessed online at: https://ndlegis.gov/assembly/68-2023/regular/documents/23-8121-01000.pdf.

[49] Tax Increment Financing to Develop Property, North Dakota Legislative Council. Accessed online at: https://ndlegis.gov/sites/default/files/resource/committee-memorandum/19243.pdf.

SCDOT each year.[50] This revenue is deposited into the Infrastructure Maintenance Trust Fund. However, this increase in revenue has proved insufficient for meeting the transportation needs of many municipalities, leading several South Carolina cities, including Greenville and Beaufort, to add a referendum to the election ballot to levy a one-cent sales tax to generate revenue for local transportation needs.[51,52]

Motor Fuel User Fees (including revenues from the state's fuel tax, vehicle registration fees, and EV registration fees) still make up the largest share of SCDOT revenue; however, between FY 2022 and FY 2023, the share of transportation revenue generated by Motor Fuel User Fees declined by 15.4 percent while the share of state appropriations increased 300 percent.[53]

Expenditures

According to data from NASBO, South Carolina spent between $1.99 billion (2021) and $2.88 billion (2023) per year on transportation between 2019 and 2023 (see **Table 4**).[54] These expenditures ranged from 6.6 percent (2021) to 8.5 percent (2019) of the state's total budget. Annual expenditures on transportation from federal funds were relatively stable during this period, ranging from $732 million to $848 million annually, while the state's largest source of funds for its expenditures was non-general fund state funds which includes motor fuel user fees.

[50] South Carolina Infrastructure and Economic Development Reform Act Information Letter, South Carolina Department of Revenue. Accessed online at: https://dor.sc.gov/resources-site/lawandpolicy/Advisory%20Opinions/IL17-8.pdf.

[51] Greenville County Capital Project Sales Tax Proposed Ballot. Accessed online at: https://greenvillecountyroads.com/wp-content/uploads/2024/05/Resolution-GC-CPST-Form-of-the-Proposed-Ballot-signed.pdf.

[52] Beaufort County Proposed Transportation Sales & Use Tax Referendum. Accessed online at: https://beaufortcountypenny.com/wp-content/uploads/SalesandUseTax-Handout-Final.pdf.

[53] Annual Financial Report, South Carolina Department of Transportation. Accessed online at: https://www.scdot.org/performance/pdf/reports/FinancialStatement-IndependentReport.pdf?v=2.

[54] 2021-2023 data: 2023 State Expenditure Report, Fiscal Years 2021-2023, National Association of State Budget Officers. Accessed online at: https://www.nasbo.org/reports-data/state-expenditure-report. 2019 and 2020 data: 2021 State Expenditure Report, Fiscal Years 2019-2021, National Association of State Budget Officers. Accessed online at: https://www.nasbo.org/reports-data/state-expenditure-report/state-expenditure-archives.

Table 4: Transportation Expenditures in South Carolina, 2019-2023 ($ in Millions)

	2019	2020	2021	2022	2023[a]
General Fund	$ 15	$ -	$ -	$ 52	$ 375
Federal Funds	$ 735	$ 839	$ 732	$ 848	$ 838
Other State Funds	$ 1,454	$ 1,448	$ 1,260	$ 1,323	$ 1,662
Bonds	$ -	$ -	$ -	$ -	$ -
Total	**$ 2,204**	**$ 2,287**	**$ 1,992**	**$ 2,223**	**$ 2,875**
Percentage of All State Expenditures	**8.50%**	**8.50%**	**6.60%**	**6.90%**	**7.40%**

Source: National Association of State Budget Officers
Note: a. 2023 figures are estimated by NASBO.

In FY 2023-2024, the SCDOT's total budget is $2.74 billion over that single fiscal year. Over the next decade, SCDOT is budgeting roughly 40 percent of funding toward investments in roadway capacity expansion and widening projects to relieve congestion, while 60 percent is dedicated to road maintenance and safety. The SCDOT has identified bottlenecks on each of its interstate highways, with $458 million per year alone allocated to increasing freeway capacity.[55]

To prepare for the transition to ZEVs, SCDOT has prepared an Electric Vehicle Charging Infrastructure Deployment Plan under the National Electric Vehicle Infrastructure formula program, which is updated annually. The state's goal is to expand the state's current 759-mile EV network with approximately 918 public charging ports to provide EV charging infrastructure sites at a maximum spacing of 50 miles along the interstate system and a maximum of one travel mile from the interstate, with a minimum of four charging stations per site.[56]

Congestion Relief

SCDOT highlights congestion as a major issue in its 2040 Multimodal Transportation Plan. Public surveys indicated that congestion reduction was rated a close second to roadway safety in infrastructure priorities. SCDOT's congestion relief program focuses on expanding roadway capacity through additional interstate lanes and reconfigured intersections. Public comments suggest implementing high-occupancy vehicle-managed lanes and a RUC. However, SCDOT does not include these solutions in the 2040 Multimodal Transportation Plan.[57]

Public Transportation

South Carolina's state-level transportation funding for public transit primarily relies on the State Mass Transit Fund, sourced from a quarter-cent of the motor fuel user fee. This fund supports transit operations, capital projects, and

[55] South Carolina Department of Transportation Multimodal Transportation Plan 2040 July 2020 Update. Accessed online at: https://www.scdot.org/inside/pdf/Planning/Multimodal%20Plan%20Approved%20MTP%20W_%20APPENDICES.pdf.

[56] South Carolina Electric Vehicle Charging Infrastructure Deployment Plan. Accessed online at: https://www.scdot.org/business/pdf/FINAL_SC%20NEVI%20Plan_08012023.pdf.

[57] Multimodal Transportation Plan 2040: July 2020 Update, South Carolina Department of Transportation. Accessed online at: https://www.scdot.org/inside/pdf/Planning/Multimodal%20Plan%20Approved%20MTP%20W_%20APPENDICES.pdf.

planning. The 2040 Statewide Multimodal Transportation Plan outlines a comprehensive strategy to enhance public transit services, reflecting the state's commitment to integrated and efficient transportation.[58]

Local governments in South Carolina use a mix of sales taxes, special assessments, and local transit fees to fund public transportation. Regional transit plans, which are part of the 2040 Multimodal Transportation Plan, guide local investments in transit infrastructure. These plans focus on expanding service coverage, increasing frequency, and improving accessibility to meet regional transit needs effectively.

2.4.4 Tennessee

Revenues

The state's motor fuel tax is the largest source of state-level transportation funding in Tennessee. However, the increasing fuel economy of the vehicle fleet and the emergence of hybrid and purely EVs is leading to a decline in motor fuel tax collections and revenue. The Tennessee DOT (TDOT) forecasted motor fuel collections and determined that motor fuel tax collections will remain static over the next 10 years despite increasing vehicle miles traveled.[59] According to the Greater Nashville Regional Council's 2024-2025 Regional Transportation Plan,[60] declining state fuel tax revenues have created the need for legislation to increase gas tax rates and vehicle registration fees, and to authorize local governments to impose local option taxes.

Further, TDOT forecasts that the transition to purely EVs will result in a $40 million annual revenue loss by 2028 due to decreased motor fuel tax receipts when EVs are projected to comprise 3 percent of the total fleet.[61] These challenges led the state legislature to pass the Transportation Modernization Act in 2023, which transferred $3.3 billion from the state's general fund to the TDOT. The Transportation Modernization Act also increased the state's EV registration fee to $200, with gradual increases to $274 over four years and then to be indexed annually to inflation. The registration fee for hybrid vehicles increased to $100, also to be indexed to inflation.[62] These additional revenues will help jump-start critical transportation projects in both urban and rural areas of the state.

Expenditures

According to data from NASBO,[63] between 2019 and 2023, Tennessee's annual expenditures on transportation ranged between $1.5 billion (20191) and $2.65 billion (2023), with these expenditures ranging from 3.9 percent (2022) to 4.9 percent (2023) of the state's total budget (see **Table 5**). Tennessee's annual expenditures on

[58] Charting a Course to 2040, Multimodal Transportation Plan, South Carolina Department of Transportation. Accessed online at: https://www.scdot.org/Multimodal/pdf/SC_MTP_TM-Revenue_Forecasts.pdf.

[59] Challenges and Solutions White Paper, Tennessee Department of Transportation. Accessed online at: https://www.tn.gov/content/dam/tn/tdot/build-with-us/Challenges-and-Solutions-White%20Paper-11-30-2022.pdf.

[60] Greater Nashville Regional Council's Regional Transportation Plan, Chapter 3: Issues, Trends, and Forecasts. Accessed online at: https://www.gnrc.org/DocumentCenter/View/1980/RTP-Ch-3-Issues-Trends-and-Forecasts.

[61] Challenges and Solutions Presentation, Tennessee Department of Transportation. Accessed online at: https://www.tn.gov/content/dam/tn/tdot/build-with-us/3-2-23%20Tennessee%20Challenges%20and%20Solutions.pdf.

[62] Transportation Modernization Act Fact Sheet, Tennessee Department of Transportation. Accessed online at: https://www.tn.gov/content/dam/tn/tdot/build-with-us/2-21-23%20TMA%20One-Pager.pdf.

[63] 2021-2023 data: 2023 State Expenditure Report, Fiscal Years 2021-2023, National Association of State Budget Officers. Accessed online at: https://www.nasbo.org/reports-data/state-expenditure-report. 2019 and 2020 data: 2021 State Expenditure Report, Fiscal Years 2019-2021, National Association of State Budget Officers. Accessed online at: https://www.nasbo.org/reports-data/state-expenditure-report/state-expenditure-archives.

transportation using federal funds steadily increased during this period, growing from $889 million to $1.34 billion annually, while the state did not make any expenditures using bond proceeds.

Table 5: Transportation Expenditures in Tennessee, 2019-2023 ($ in Millions).

	2019	2020	2021	2022	2023[a]
General Fund[b]	$ -	$ -	$ -	$ -	$ -
Federal Funds	$ 889	$ 1,120	$ 1,041	$ 1,160	$ 1,338
Other State Funds	$ 611	$ 558	$ 642	$ 534	$ 1,311
Bonds	$ -	$ -	$ -	$ -	$ -
Total	**$ 1,500**	**$ 1,678**	**$ 1,683**	**$ 1,694**	**$ 2,649**
Percentage of All State Expenditures	**4.40%**	**4.70%**	**4.20%**	**3.90%**	**4.90%**

Source: National Association of State Budget Officers

Notes:

a. 2023 figures are estimated by NASBO.

b. The 2023 general fund estimate does not reflect the $3.3B general fund transfer discussed above as the Transportation Modernization Act did not pass until late last year.

Congestion Relief

TDOT identifies congestion as a key challenge facing the state's transportation network, noting that the state's population growth is far outpacing roadway capacity investments. TDOT quantifies the cost of congestion per commuter in the 11 urban areas of Tennessee at $670 annually, which increases to $989 per commuter annually in the four larger urban areas, and $1,465 in the Nashville area.[64]

A compilation of congestion action plans developed by TDOT for the Chattanooga, Knoxville, Memphis, and Nashville metropolitan areas identified $13.7 billion in unfunded congestion management needs in addition to $3.8 billion in existing congestion funding commitments, for a total of $17.5 billion in urban congestion funding needs. These congestion funding needs do not account for all transportation needs in these regions. In fact, regional transportation plans covering a 25-year planning horizon show transportation needs exceeding $30 billion for these urban areas, expressed in 2020 dollars.[65]

TDOT is requesting the authority to partner with the private sector to design, build, finance, operate, and maintain new and additional price-managed lanes, called Choice Lanes, on existing interstates. These new additional lanes would use pricing to proactively manage demand and provide travel time reliability. Choice Lanes would operate under free-flow conditions when traditional lanes are barely moving or even at a standstill during peak periods. The

[64] Transportation Modernization Act Fact Sheet, Tennessee Department of Transportation. Accessed online at: https://www.tn.gov/content/dam/tn/tdot/build-with-us/2-21-23%20TMA%20One-Pager.pdf.

[65] Tennessee Congestion Action Plans, Tennessee Department of Transportation. Accessed online at: https://www.tn.gov/content/dam/tn/tdot/congestion-studies/TDOT_CAPCompilation_SummaryDocument_2022_08.pdf.

state would retain ownership of the roads, and a private sector partner would enter into an agreement with the state's DOT to design, build, finance, operate, and maintain these Choice Lanes.[66]

According to the Greater Nashville Regional Council's 2024-2025 Regional Transportation Plan, the number of freeway lanes in the region has increased over the last 25 years by 107 percent and the population has increased by 101 percent. However, the annual hours of delay have expanded by 329 percent over the same period, with the MPO calling for transit solutions and safe access to active transportation to maintain mobility across the region and access to economic opportunities.[67]

A compilation of Congestion Action Plans developed by TDOT for the Chattanooga, Knoxville, Memphis, and Nashville metropolitan areas also includes policy and programmatic recommendations for each region. These recommendations included regional traffic operations programs, transit-supportive investments, transportation demand management, non-motorized investments, and freight operations programs.[68]

Public Transportation

Recent state-level transportation funding policy in Tennessee has prioritized significant investments in public transportation through the Transportation Modernization Act of 2023.[69] This legislation allocates $200 million annually to transit and the expansion of public transit infrastructure statewide. The strategy includes utilizing P3s to optimize state funds reflecting Tennessee's commitment to enhancing public transportation across urban and rural areas. Of note, legislation permitting the use of P3s in public transportation projects was passed in 2017.[70]

At the local level, Tennessee's municipalities have been utilizing various funding mechanisms to support public transit. Local governments rely on sales taxes, special assessments, and transit fees to finance transportation projects.

2.4.5 Utah

Revenues

Consistent with other states across the country, Utah's fuel tax revenues have declined or remained stagnant. According to a report published by the University of Utah, fuel tax revenue comprised 79 percent of the state's transportation funding sources in 1970, and, as of 2020, comprises only 40 percent of the state's transportation funding sources.[71] Utah's transportation infrastructure faces funding challenges due to the inability of the state motor fuel tax to keep up with inflation given the advances in fuel efficiency and increased use of EVs. To address the decline in motor fuel tax revenue, Utah has joined about a dozen states in exploring a new type of RUC for road

[66] Challenges and Solutions White Paper, Tennessee Department of Transportation: Challenges and Solutions White Paper. Accessed online at: https://www.tn.gov/content/dam/tn/tdot/build-with-us/Challenges-and-Solutions-White%20Paper-11-30-2022.pdf.

[67] Regional Transportation Plan, Chapter 3: Issues, Trends, and Forecasts, Greater Nashville Regional Council. Accessed online at: https://www.gnrc.org/DocumentCenter/View/1980/RTP-Ch-3-Issues-Trends-and-Forecasts.

[68] Tennessee Congestion Action Plans, Tennessee Department of Transportation. Accessed online at: https://www.tn.gov/content/dam/tn/tdot/congestion-studies/TDOT_CAPCompilation_SummaryDocument_2022_08.pdf.

[69] Transportation Modernization Act, Tennessee Department of Transportation. Accessed online at: https://www.tn.gov/tdot/build-with-us/transportation-modernization-act.html.

[70] Mass transit P3 bill approved in Tennessee, Infrastructure Investor. Accessed online at: https://www.infrastructureinvestor.com/mass-transit-p3-bill-approved-in-tennessee/.

[71] A Visual Guide to Tax Modernization in Utah, Kem C. Gardner Institute, The University of Utah. Accessed online at: https://d36oiwf74r1rap.cloudfront.net/wp-content/uploads/TaxMod-Aug2021-FInal.pdf?x71849.

maintenance that charges drivers for miles driven, rather than fuel consumed.[72] Utah's Road Usage Charge Program was initiated following the 2018 passage of SB 136 that established the program as an alternative to the state's new alternative vehicle fee. The program was officially launched on January 1, 2020 with enrollment limited to alternative fuel passenger vehicles only.

Revenue from Utah's RUC program and any other appropriations or contributions are used to cover administrative costs and other transportation purposes.[73] The current RUC rate is 1.0¢ per mile and can be paid in lieu of a flat fee that varies by vehicle type: $130.25 for EVs, $56.50 for plug-in hybrid vehicles, and $21.75 for hybrid vehicles. The annual RUC paid cannot exceed these caps. Vehicle owners with privacy concerns may opt for short-term data retention or choose instead to pay the flat EV registration fee.

Furthermore, the enactment of 2023 HB 301 in Utah imposed a 12.5 percent tax on the retail sale of electricity for EV charging purposes beginning in 2024.[74] The new law provides utilities with the option of basing the tax on kilowatt-hours sold, the cost to charge per hour, or a subscription fee.[75]

Expenditures

According to data from the NASBO,[76] Utah's annual expenditures on transportation ranged between $1.6 billion and $3.02 billion between 2019 and 2023, with these expenditures ranging from 8.7 percent (2022) to 14.3 percent (2020) of the state's total expenditures (see **Table 6**). Utah's annual expenditures on transportation from the state's general fund sharply increased in 2022, growing from an average of $8.3 million per year between 2019 and 2021 to $1.1 billion in 2022. While the state did not make any expenditures using bond revenue between 2021 and 2023, significant transportation expenditures from the state's general fund in 2022 ($1.14 billion) and 2023 ($1.01 billion) combined with significant spending from other state funding in 2023 ($1.43 billion) led to a large increase in overall state spending on transportation. According to a report from the Utah Foundation, Utah increased its investment in transportation infrastructure significantly post-2020, with the 2022 budget nearly doubling that of 2012-2020 adjusted for inflation and population growth.[77]

[72] State Transportation funding trends, National Conference of State Legislatures. Accessed online at: https://videos.ncsl.org/DesktopModules/EasyDNNNews/DocumentDownload.ashx?portalid=0&moduleid=379&articleid=378&documentid=35.

[73] Measuring the Miles: Road Usage Charges in Utah, Utah Foundation. Accessed online at: https://www.utahfoundation.org/wp-content/uploads/rr786.pdf.

[74] 2023 Utah HB 301 Text. Accessed online at: https://le.utah.gov/~2023/bills/static/HB0301.html.

[75] Alternative Fuels Data Center. Accessed online at: https://afdc.energy.gov/fuels/laws/ELEC?state=UT#:~:text=The%20retail%20sale%20of%20electricity%20for%20EV%20charging,hour%2C%20or%20a%20subscription%20fee.%20Additional%20requirements%20applyA.

[76] 2021-2023 data: 2023 State Expenditure Report, Fiscal Years 2021-2023, National Association of State Budget Officers. Accessed online at: https://www.nasbo.org/reports-data/state-expenditure-report. 2019 and 2020 data: 2021 State Expenditure Report, Fiscal Years 2019-2021, National Association of State Budget Officers. Accessed online at: https://www.nasbo.org/reports-data/state-expenditure-report/state-expenditure-archives.

[77] How Utah is Addressing Growth Pressures, Utah Foundation. Accessed online at: https://www.utahfoundation.org/2021/12/significant-statistics-growth-part-iii-how-utah-is-addressing-growth-pressures/.

Table 6: Transportation Expenditures in Utah, 2019-2023 ($ in Millions).

	2019	2020	2021	2022	2023[a]
General Fund	$ 4	$ 6	$ 15	$ 1,146	$ 1,011
Federal Funds	$ 386	$ 453	$ 419	$ 377	$ 579
Other State Funds	$ 1,067	$ 1,412	$ 1,300	$ 291	$ 1,434
Bonds	$ 150	$ 717	$ -	$ -	$ -
Total	**$ 1,607**	**$ 2,588**	**$ 1,734**	**$ 1,814**	**$ 3,024**
Percentage of All State Expenditures	**9.70%**	**14.30%**	**8.80%**	**8.70%**	**10.70%**

Source: National Association of State Budget Officers
Note: a. 2023 figures are estimated by NASBO.

To prepare for the state's upcoming transition to zero-emission vehicles, the Utah Department of Transportation (UDOT) published its first Statewide EV Charging Network Plan in 2021, which outlines UDOT's investment plan to ensure access to EV chargers every 50 miles along Utah's interstate highways and to prepare the state's urban-rural areas for future charging capacity needs.[78]

Congestion Relief

Utah ranks among the top states for remote work, but its impact on traffic congestion remains uncertain. UDOT notes that traffic volumes are back to pre-pandemic levels, though rush-hour congestion has decreased.[79] UDOT's 2023-2050 Long-Range Plan identified "providing vehicle capacity" as a key need for the state's transportation network. Utah is taking a multimodal approach to respond to increasing demand for capacity. The state is home to the longest HOT lane facility in the country, located on a 72-mile stretch of Interstate 15 between Riverdale and Spanish Fork. These two HOT lanes (one northbound and one southbound) are reserved for high-occupancy vehicles, motorcyclists, or drivers who pay a toll, and offer improved speed and reliability for users.

To further address congestion relief, Utah is also significantly investing in the Utah Transit Authority's commuter rail system, the FrontRunner, which runs parallel to Interstate 15 for about 90 miles between Ogden and Provo. In 2021, the Utah Legislature approved HB 433,[80] which allocated $200 million to the FrontRunner 2X project. The project will double track eight strategic locations and realign a section of track to increase train frequency and reliability. Continued population and economic growth along the Wasatch Front/greater Salt Lake City require more capacity from the region's commuter rail service, and the Utah Transit Authority and the UDOT plan to meet this need through the FrontRunner 2X project,[81] which will increase the capacity of both the transit system and the

[78] Utah Statewide EV Charging Plan, Utah Department of Transportation: https://drive.google.com/file/d/1lgGn7HTLExuv-6L68tXDupnClTbEj9pO/view?usp=sharing

[79] How Utah is Addressing Growth Pressures, Utah Foundation. Accessed online at: https://www.utahfoundation.org/2021/12/significant-statistics-growth-part-iii-how-utah-is-addressing-growth-pressures/.

[80] 2021 HB 433 Text. Accessed online at: https://le.utah.gov/~2021/bills/static/HB0433.html.

[81] FrontRunner 2X Project Website. Accessed online at: https://frontrunner2x.utah.gov/.

state's roadway network, support sustainable growth, and increase the availability of cleaner, accessible travel choices and connections.

Public Transportation

Historically, there was no dedicated state funding for transit. However, in 2018, Utah enacted enabling legislation establishing the Transit Transportation Investment Fund. In 2023, Utah approved a record $14.3 billion transportation program,[82] with significant funding dedicated to public transit. This includes expansions and improvements to the state's transit system as part of a broader strategy to address the needs of a growing population. Dedicated to transit, approximately $458 million was earmarked for bus, light rail, and rail improvements. The Utah Unified Transportation Plan (2023-2050) outlines substantial investments in public transit infrastructure,[83] estimating a total funding need of $153 billion. The plan relies on current and new revenue sources to support the development and upgrade of public transit lines and services.

Local governments in Utah are focusing on funding public transit projects to meet increasing demand. In 2024, the Utah Transportation Commission allocated nearly $1.4 billion for major public transit projects in Utah County,[84] including new transit lines and enhancements to existing lines. Local governments use tools such as local option sales taxes and general fund investments to finance these projects. In addition, the state legislature allocated significant funds for public transit through HB 433,[85] which provided substantial investment in rail and transit infrastructure. These efforts aim to improve mobility and connectivity for residents across the state.

2.5 Trends in Road Usage Charge Programs

There are currently three active RUC programs in operation in the United States: the OReGO system in Oregon, Utah's RUC program, and Virginia's Mileage Choice Program. All three systems are reliant on private sector account managers to provide mileage reporting devices and administer individual user accounts. In the cases of Virginia and Utah, the programs function as an alternative to flat fees imposed on EVs and other AFVs. The OReGO system is a voluntary alternative to fuel taxes that involves drivers receiving credit for fuel taxes paid at the pump.

In addition to these three active programs, numerous pilots have been conducted across the United States. California has completed several pilots, beginning with the California Road Charge Pilot in 2017, which, at the time, was the largest pilot conducted and included over 5,000 vehicles drawn from the passenger vehicle fleet, business fleets, and commercial trucking. The 2017 pilot evaluated several technology applications for metering road usage, tested reporting options and the technical feasibility of the road charge concept, resulting in generally positive perceptions from participants. California's subsequent Four-Phase-Demonstration built upon this earlier work by evaluating RUC integration with point-of-sale systems, transportation networking services, vehicle insurance services, and automated and connected vehicle technologies. California is currently evaluating the effectiveness of reporting options in differentiating mileage accrued on public versus private roads. Minnesota's pilot activities have led the state to pursue RUC reporting options that use embedded telematics, which consist of systems installed in vehicles to provide real-time data on a vehicle's location and mileage, as a means of leveraging transportation technology developments and lowering operations and administrative costs.

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[82] Utah Approves Largest Transportation Program in State History, Utah Department of Transportation. Accessed online at: https://www.udot.utah.gov/connect/2023/09/05/utah-approves-largest-transportation-program-in-state-history/.

[83] Funding the Plan, Utah's 2023-2050 Unified Transportation Plan. Accessed online at: https://unifiedplan.org/funding-the-plan/.

[84] "Utah approves $1.4B in new funding toward Utah County transportation projects," KSL. Accessed online at: https://www.ksl.com/article/51018432/utah-approves-14b-in-new-funding-toward-utah-county-transportation-projects.

[85] House Bill.433 Amendments Related to Infrastructure Funding, Utah State Legislature. Accessed online at: https://le.utah.gov/~2021/bills/static/HB0433.html.

The Eastern Transportation Coalition (TETC), formerly known as the I-95 Corridor Coalition, is a coalition of 18 Eastern states that have pooled resources to conduct several RUC pilots. TETC's primary objectives with its RUC efforts have been to explore interstate issues, develop and explore RUC applications for commercial vehicles, and evaluate the potential integration of tolling services within RUC administration. The TETC has been a leader in developing multistate systems and was the first organization to conduct a nationwide RUC pilot for commercial vehicles. The TETC has also advanced the integration of RUC with multistate toll systems.

RUC pilot and implementation activities in the United States have largely been supported by federal grant programs. The Surface Transportation System Funding Alternatives Program was the first major federal source of funding for RUC exploration activities and was authorized to grant $95 million in funding from 2016 to 2020. The program is still actively funding projects in the United States but does not accept any new applications. Its successor program, the Strategic Innovation for Revenue Collection (SIRC) Program, was enacted under the Bipartisan Infrastructure Law and is currently authorized to provide $45 million in funding. The initial round of SIRC grant award winners has not yet been announced and a second Notice of Funding Opportunity for SIRC funding is expected in late 2024. SIRC funding is available to states as well as MPOs, groups of MPOs, local governments, groups of local governments, and other multijurisdictional groups.

CHAPTER 3. ANALYSIS AND RECOMMENDATIONS

This chapter reviews the technical findings in the four policy areas explored in the *Transportation Funding and Governance Study.* The policy areas are local transportation finance, public transit finance, policies for suballocation of federal surface transportation funds, and alternative RUC programs. The findings from these analyses are also conveyed in stand-alone modular white papers developed for each of the key policy areas. While there is a certain amount of overlap between the local transit and public transit analyses, the STBG suballocation and RUC assessments are discrete but relate to the other research areas in the role that the different policy areas can play in providing funding to narrow the $5.4 billion gap in transportation funding in the Treasure Valley through 2050.

3.1 Funding Mechanisms for Local Transportation Improvements

Local governments depend on a combination of federal, state, regional, and local sources of funding for transportation. Each source comes with restrictions and requirements on how they can be used. In addition, the ability of local regions to raise revenue for transportation needs is controlled first by the state legislature and, if such legislative authorization exists, by the will of the voters.[86]

In addition to federal and state sources, local governments may receive financial support from MPOs, councils of government, special districts, enterprise funds, toll authorities, tribal governments, air quality authorities, or utilities. If state law allows, they may also raise local revenue measures. Local governments also compete for competitive grant funding with different levels of success. These various possibilities result in significant variations in the overall level of resources available to local governments to meet their transportation needs. Some local governments are only able to advance projects if they receive competitive grants, while others can use local funding to attract or accelerate funds from the state DOT.[87]

As part of its explorations on Funding Mechanisms for Local Transportation Improvements, the consultant team performed desktop research to identify funding mechanisms enabled by state governments for use at the local government level (e.g., general revenues, tolls, and an array of local option taxes, fees, and value capture techniques). Although these different tools have been authorized to varying extent under state law for transportation in each of the 50 states, they may or may not be in use. The research on local transportation funding mechanisms was intended to support and inform COMPASS's identification of funding and financing sources to support the development and implementation of transportation investments in the Treasure Valley.

This research was completed in conjunction with the compilation of the 50-state profiles dataset, which serves as a practical tool to navigate funding and financing options available at the local level. It should be noted that the information summarized here is current as of the report's publication date. However, this information will become outdated as the funding landscape continues to evolve, and new policies emerge.

The research conducted for the *Transportation Funding and Governance Study* determined that states have authorized a range of funding mechanisms to advance local transportation projects that are used by local governments.

[86] National Cooperative Highway Research Program 19-20 Interdependence of Federal, State, and Local Transportation Funding and Ownership Interim Report, February 2024, pp 7-8.

[87] *Ibid.*

Local governments generate revenue to fund transportation projects by levying various taxes, fees, and tolls, including revenue sources specifically dedicated to transportation uses. The revenue generation potential of these local sources can vary by several factors including rate, demand, and gross receipts. Local governments may also use alternative funding or procurement mechanisms to realize efficiencies in project funding and delivery including P3s, TIF, or design-build contracting.

State governments may also fund local transportation projects by distributing revenue collected at the state level through local funding allocations. Several states allocate portions of their motor fuel tax revenue to local governments through statutory formulas. State legislatures may also appropriate revenue from the state's general fund directly to local governments for transportation projects or create grant programs through which local governments may apply for state funding through a competitive process. Some states have also established fund-swapping programs that allow local governments to exchange federal funding for state funding, which may create flexibility, efficiencies, and cost savings by avoiding the need to adhere to federal requirements.

In addition, some states place statutory or constitutional restrictions or prohibitions on funding or financing mechanisms for local transportation projects. These may include restrictions or prohibitions on the uses of local revenue sources, the local uses of state revenue sources, or local uses of financing mechanisms such as bonding. Conversely, many state legislatures have recently taken actions to increase the flexibility of local governments to fund or finance local transportation projects through increasing limits previously imposed on revenue collection in state statutes or broadening the uses of revenue sources.

3.1.1 Local Transportation Revenue Sources in Use in the United States

The funding sources available to local governments have varying revenue generation potential relative to jurisdiction size, population, and demographics. Research conducted for the *Transportation Funding and Governance Study* identified the following 11 funding mechanisms that local governments around the United States use to fund transportation improvements:

- **Local Sales Tax**
  A locally generated sales tax is a consumption tax that is generally added to the state sales tax at the county or municipal level. Collected at the point of sale by retailers, local sales taxes are responsible for about 13 percent of local tax collection nationwide.[88] Idaho is one of 26 states that authorize using locally generated sales tax for transportation projects. However, this authorization is limited to resort cities with populations of less than 10,000.

- **Ad Valorem Property Tax**
  An ad valorem property tax is based on the assessed value of real estate or personal property. It is levied by counties, municipalities, or other local government entities and is one of the primary sources of revenue for local governments nationwide. These taxes typically support a range of public services including transportation infrastructure. Idaho is one of 42 states that authorizes the use of ad valorem property tax for transportation projects. This authorization is limited to roadway, bridge, and highway projects.

- **Parcel Property Tax**
  A parcel property tax is a flat tax levied per parcel of land, regardless of the property value. It is often used for funding specific public services including transportation-related improvements. Unlike the ad valorem tax, which is value-based, parcel taxes are fixed and may be applied uniformly across all properties within a

[88] 2024 Sales Tax Rates: State & Local Sales Tax by State. Accessed online at: taxfoundation.org).

taxing district. These taxes are commonly employed in regions seeking dedicated funding for infrastructure projects like roads and transit. Three states authorize using parcel property tax for transportation; however, this mechanism is not authorized in Idaho.

- **Real Estate Transfer Tax**

  A real estate transfer tax is imposed on the transfer of property ownership from one party to another. Local governments in some states levy this tax, which is typically calculated as a percentage of the property's sale price. The revenue from this tax may be directed toward local infrastructure projects, including transportation improvements such as roadways, bridges, and public transit systems. Six states authorize the using real estate transfer tax for transportation; however, this mechanism is not authorized in Idaho.

- **Local Registration Fees**

  Local registration fees are charges assessed when individuals register their vehicles, often at the county level. These fees are in addition to state-level vehicle registration charges and are typically used to support local transportation infrastructure. The revenue may go toward road maintenance, bridge repairs, or transit system enhancements, depending on the jurisdiction's priorities. Idaho is one of 15 states that authorizes using local registration fees for transportation projects. This authorization is limited to roadway, bridge, and highway projects.

- **Development Impact Fees**

  Development impact fees are one-time charges imposed by local governments on developers to offset the costs of infrastructure needed to support new development. These fees are often earmarked for transportation projects such as expanding road capacity, improving public transit, or constructing pedestrian and bike pathways to ensure that new developments do not overburden existing infrastructure. Idaho is one of 29 states that authorizes using development impact fees for transportation projects. However, this authorization is limited to capital transportation improvements directly benefiting the development.

- **Local Motor Fuel Tax**

  A local motor fuel tax is a tax on gasoline and diesel fuel, levied by counties or municipalities in addition to the state and federal fuel taxes. This tax is typically collected at the point of sale and is dedicated to funding local transportation projects including road maintenance, transit services, and sometimes environmental initiatives to reduce vehicle emissions. Fourteen states authorize using local motor fuel tax for transportation; however, this mechanism is not used in Idaho.

- **Local Vehicle Excise Tax**

  A local vehicle excise tax is a tax imposed on vehicle ownership, calculated based on the vehicle's value. It is levied annually and collected by local governments, typically to fund transportation-related services. The revenue generated may support road maintenance, public transit systems, or other infrastructure projects within the local jurisdiction. Eleven states authorize using the local vehicle excise tax for transportation; however, this mechanism is not authorized in Idaho.

- **Local Vehicle Sales Tax**

  A local vehicle sales tax is a consumption tax levied on the sale of motor vehicles at the local level. It is usually added to the state sales tax on vehicle purchases and contributes to local revenues that may be dedicated to transportation infrastructure (e.g., road repairs, public transit improvements, or traffic management projects). Thirty-one states authorize using local vehicle sales tax for transportation; however, this mechanism is not authorized in Idaho.

- **Local Income Tax**

  A local income tax is a tax imposed on the wages or earnings of individuals who live or work within a specific local jurisdiction. The revenue collected from this tax is often used to support a variety of public services,

including transportation infrastructure. In certain areas, a portion of the local income tax revenue may be earmarked for funding public transit or road improvements. Fifteen states authorize using local income tax for transportation; however, this mechanism is not authorized in Idaho.

- Local Hotel or Transient Occupancy Tax

  A local hotel or transient occupancy tax is imposed on guests staying at hotels, motels, or other short-term accommodations within a local jurisdiction. This tax is typically calculated as a percentage of the room rate and is collected by the lodging provider. The revenue from this tax may be used to support local infrastructure, including transportation projects such as road maintenance and improvements to public transit systems. Idaho is one of 47 states that authorizes the use of local hotel or transient occupancy tax for transportation projects. However, this authorization is limited to improvements supporting auditorium districts. [89]

3.1.2 Revenue-Generating Potential of Local Funding Sources

The consultant team estimated the revenue generation potential of each funding mechanism if it were levied in the Treasure Valley (Ada and Canyon Counties). The team used a range of levy unit rates and calculated the estimated revenue potential based on the characteristics of the Treasure Valley. Where local option tax information was available, existing tax rates were used. In addition to generating revenue, each revenue source could also be used to leverage debt that could raise upfront funding for capital funding for projects of different sizes.

Table 7 provides brief descriptions of the different funding sources evaluated in the analysis; minimum, maximum, and average levy unit rates identified through the national review of local funding practices; and information sources. In most cases, the average value was used as the input to estimate revenue generation potential for the Treasure Valley. However, Idaho-specific values were used when available.

Table 7: Summary of Evaluated Local Funding Sources

Local Funding Source	Description	Levy Unit Rate	Minimum	Maximum	Average	Input for Treasure Valley	Source(s)
Local Sales Tax	Percentage-based tax on finished products at the point of sale	% of sales receipts	0.06%	8.300%	2.11%	1.57%	Tax Foundation
Ad Valorem Property Tax	Additional tax on owned properties	% of property value	0.15%	3.480%	1.06%	0.67%	U.S. Census Bureau; Tax Foundation
Parcel Property Tax	Additional tax on owned properties	$ per parcel	$10.00	$520.00	$162.70	$162.70	Individual Locality Websites
Real Estate Transfer Tax	Percentage-based tax on real estate at point of sale/transfer	% of property sale	0.0033%	5.95%	1.038%	1.038%	HomeLight; Bankrate; Property Shark

[89] "An auditorium or community center district is one to build, operate, maintain, market and manage for public, commercial and/or industrial purposes by any available means public auditoriums, exhibition halls, convention centers, sports arenas and facilities of a similar nature, and for that purpose any such district shall have the power to construct, maintain, manage, market and operate such facilities", Idaho Code §67-4902.

Local Funding Source	Description	Levy Unit Rate	Minimum	Maximum	Average	Input for Treasure Valley	Source(s)
Local Registration Fees	Annual vehicle registration fees based on vehicle class and age	$ per registered vehicle	$5.00	$60.00	$24.69	$30.00	Individual Locality Websites
Development Impact Fees (Single-Family)	One-time fees to build, improve, or expand infrastructure developments (for single-family residential units)	$ per unit	$1.00	$45,183.00	$5,981.68	$5,900.60	Individual Locality Websites
Development Impact Fees (Multi-Family)	One-time fees to build, improve, or expand infrastructure developments (for multi-family residential units)	$ per unit	$1.00	$32,355.73	$4,228.02	$2,624.63	Individual Locality Websites
Local Motor Fuel Tax	Additional cents-per-gallon tax on motor fuel	$ per gallon	$0.01	$0.24	$0.065	$0.065	Avalara; Urban Institute
Local Vehicle Excise Tax	Tax on registered vehicles	$ per vehicle	$3.00	$175.00	$35.80	$35.80	Individual Locality Websites
Local Vehicle Sales Tax	Percentage-based tax on vehicles at point of sale	% of vehicle sale	0.015%	9.50%	2.25%	2.25%	Individual Locality Websites
Local Income Tax	Percentage-based tax on gross annual income	% of gross annual income	0.0033%	3.88%	1.38%	1.38%	Tax Foundation
Local Hotel or Transient Occupancy Tax	Percentage-based tax on hotel revenue	% of hotel revenue	0.75%	20.00%	4.99%	5.00%	American Hotel and Lodging Association

Although certain funding mechanisms are currently restricted by Idaho statute, the analysis considers the universe of local funding sources in the event they could be used in the Treasure Valley. **Table 8** presents the estimated revenue potential for each local option tax measure by multiplying the levy unit rate by the base quantity for the Treasure Valley. The rows highlighted in blue indicate the funding measures for which Idaho-specific levy unit rates were used rather than state averages. As shown in Table 8, the funding sources with the highest estimated revenue potential would include local sales, ad valorem property, and local income taxes.

Table 8: Local Measure Revenue Generation Capacity

Local Revenue Source	Unit	Quantity	Levy Unit Rate	Treasure Valley Basis Quantity	Annual Estimated Revenue Potential
Local Sales Tax[a]	% of Sales	Total Sales Receipts	1.57%[b]	$16.7 B	**$262.2 M**
Ad Valorem Property Tax[a]	% of Property Value	Total Property Value	0.67%[c]	$104.3 B	**$698.9 M**
Parcel Property Tax	$ per Parcel	Number of Properties	$162.70	266,553	**$43.4 M**

Local Revenue Source	Unit	Quantity	Levy Unit Rate	Treasure Valley Basis Quantity	Annual Estimated Revenue Potential
Real Estate Transfer Tax	% of Property Sale Price	Annual Sales Value of Property	1.038%	$2.4 B	**$24.7 M**
Local Registration Fees[a]	$ per Vehicle	Number of Vehicles	$30.00[d]	588,988[e]	**$17.7 M**
Development Impact Fees (Single-Family)	$ per Unit	Number of New Units Built	$5,900.60[f]	6,185	**$36.5 M**
Development Impact Fees (Multi-Family)	$ per Unit	Number of New Units Built	$2,624.63[f]	3,628	**$9.5 M**
Local Motor Fuel Tax	$ per Gallon	Total Gallons Sold	$0.065	351.5 M	**$22.7 M**
Local Vehicle Excise Tax	$ per Vehicle	Number of Vehicles	$35.80	588,988[e]	**$21.1 M**
Local Vehicle Sales Tax	% of Vehicle Sales	Annual Sales Value of Vehicles	2.25%	$788.8 M	**$17.8 M**
Local Income Tax	% of Gross Annual Income	Household Median Income	1.38%	$21.5 B	**$296.9 M**
Local Hotel or Transient Occupancy Tax[a]	% of Hotel Revenue	Total Hotel Revenue	5.00%[g]	$423.8 M	**$21.2 M**

Notes:
a. Highlighted local revenue sources denote existing local option tax measures available in Idaho.
b. Existing Idaho local sales taxes are currently applicable to resort cities, per the Idaho statute. The levy unit rate reflects the average rate for the 10 counties that levy sales taxes in Idaho. Eligible uses of local sales tax revenues in Idaho resort cities are identified via ordinance, which typically include municipal services and infrastructure such as transportation.
c. Average of existing property taxes in Ada and Canyon County, weighted by number of properties in each county.
d. Average of existing local registration fees in Ada County.
e. Number of registered vehicles in the Treasure Valley in 2023 include passenger vehicles, trucks, motorcycles, buses, and motorhomes. Neighborhood electric vehicles, golf carts, utility trailers, camp trailers, and manufactured homes are excluded from these counts.
f. Average of existing development impact fees in the City of Nampa and Ada County.
g. Existing Idaho local hotel or transient occupancy taxes (Auditorium Tax), available for Auditorium Districts.

3.2 Funding and Financing Mechanisms for Public Transportation

Funding and financing for public transit have much in common with financing local transportation needs. However, unlike most local governments, transit agencies are direct recipients of federal funding, which comes with a broad array of requirements that they must adhere to.[90]

In addition, when transit agencies embark on capital projects, they normally rely on significant funding awards from the Federal Transit Administration (FTA) involving formula funding and competitive grants, both of which require a local match. Competitive grants also require transit agencies to have significant amounts of state and/or local funding in place above and beyond local match requirements. The receipt of federal discretionary funding is largely dependent on the availability of non-federal funding, and it is only possible to raise that local funding if the state government has passed the necessary authorization legislation allowing local regions to advance transportation

[90] National Cooperative Highway Research Program 19-20 Interdependence of Federal, State, and Local Transportation Funding and Ownership Interim Report, February 2024, p 8.

revenue measures. For these reasons, transit funding and finance are particularly complex and rely on interconnected funding from all levels of government.[91]

The *Transportation Funding and Governance Study* has included extensive research on how public transportation is funded across the United States at all levels of government to assist COMPASS in identifying funding and financing for future public transit investment needs in the Treasure Valley. The findings are conveyed in a modular white paper and an accompanying Excel data set that arrays the different funding and financing sources at the federal, state, and local levels that transit agencies use to advance their programs.

Funding and financing opportunities for public transportation at the federal level were identified by reviewing federal administering agency resources, together with the project team's industry experience. These federal agencies included the United States Department of Transportation, the FTA, the Federal Railroad Administration, FHWA, the Build America Bureau, and the U.S. Department of Energy.

Funding and financing opportunities for public transportation at the state level were identified in tandem with the research on local transportation funding through a review of the American Association of State Highway and Transportation Officials (AASHTO) Transportation Governance and Finance Report, Third Edition (October 2022); LexisNexis; National Conference of State Legislatures resources; state legislature websites; and state DOT websites.

3.2.1 The Key Distinction Driving Public Transportation Finance

All states are unique in terms of their legislative authorization and flexibility of revenue and financing sources for use in public transportation. As described in the previous subsection, in addition to federal funding, transit investments are paid for in the United States by a combination of state and local funding. To understand the contours of transit funding among states, the analysis reviewed the funding options available to support investment in public transit and grouped the states into the following categories:

- States Providing Public Transportation Funding and Allowing Local Revenue Options
- States Providing Public Transportation Funding but Not Allowing Local Revenue Options
- States Allowing Local Revenue Options but Not Providing State Funding
- States with Neither State Public Transportation Funding nor Local Revenue Options

As shown in **Table 9** the analysis identified 37 of the 50 states provide state funding for public transportation and also allow local governments to enact revenue measures supporting public transit and other local transportation needs. An additional two states provide funding for public transit but do not allow local governments to implement local transportation revenue measures, while nine states allow local governments to levy local transportation revenue measures but provide no state funding to support public transit. Last, the analysis revealed that only two of the 50 states, Idaho and West Virginia, provide no state funding for public transit and prohibit local governments from raising local revenue for public transit needs.

Note that the categories designated in this analysis involve judgment calls, as there are several unique cases where some states provide limited transit funding (less than $2 million annually), or where state funding for transit is limited to certain counties. In addition, some states may only grant certain counties or metropolitan areas the authority to raise their own transportation funding measures.

[91] *Ibid.*

3.2.2 Most Promising Funding Mechanisms for Public Transportation

The assessment of funding and financing mechanisms for public transportation identified a series of funding mechanisms at different levels of government that could be considered for use in the Treasure Valley. Public transit funding approaches currently used in other states were reviewed. They involve both state-level and local funding, most of which was enabled in recent state legislation to support state transit initiatives.

Most state and local funding and financing sources in Idaho have statutory restrictions in terms of their levy and use. Public transportation funding from state sources is generally ineligible as the Idaho Constitution (Idaho Const. Article VII, §17) and Statute (Idaho Code §63-2402) limit expenditures to highways, roads, and bridges. In addition, local governments have limited use of local option taxes as they require explicit state legislative authorization; and financing sources as indebtedness is generally restricted per Idaho statute. These restrictions were considered when compiling the most promising funding and financing options.

Table 9: Public Transportation Funding Availability by State

Provides State Funding and Allows Local Revenue Options		Provides State Funding but does not Allow Local Revenue Options	Allows Local Revenue Options but Provides Little to no State Funding	Does not Allow Local Revenue Options or Provide Little to no State Funding
Arkansas	Mississippi*	Georgia*	Alabama*	Idaho*
California	Missouri*	Tennessee*	Alaska*	West Virginia*
Colorado*	Nebraska		Arizona*	
Connecticut	New Jersey		Montana*	
Delaware*	New Mexico		New Hampshire*	
Florida	New York		North Dakota*	
Hawaii*	Nevada		Oklahoma*	
Illinois	North Carolina		South Dakota*	
Indiana*	Ohio*		Wyoming*	
Iowa*	Oregon*			
Kansas	Pennsylvania*			
Kentucky*	Rhode Island*			
Louisiana	South Carolina*			
Maine	Texas*			
Maryland*	Utah*			
Massachusetts*	Vermont			
Michigan*	Virginia*			
Minnesota	Washington			
	Wisconsin			
37		2	9	2

Note: * Denotes a special case. Refer to**Error! Reference source not found. Table 10** and **Table 11**Error! Reference source not found. showcases unique cases for public transportation funding at the local level related to the category designation of Table 9. for detailed information on special cases in both state and local transit funding, respectively.

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Table 10: Public Transportation Funding - State Mechanism Legislative Overview (Unique Cases)

State	State Funding Earmarked for Transit	Non-Dedicated State Transit Funding	Notes
Alabama	No*	No	Despite the establishment of the Public Transportation Trust Fund in 2018, it has yet to receive state funding.
Alaska	No	No*	Legislative appropriations at the state level could fund public transportation from the general fund, but historically has only funded highways.
Arizona	No	No*	Legislative appropriations at the state level could fund public transportation from the general fund, but historically has only funded highways.
Hawaii	Yes*	No	Legislation enacted in 2017 raised the Transient Occupancy Tax by 1%, dedicating revenues to public transit to counties with over 500,000 population. However, the county of Honolulu is the only county eligible for state transit funding.
Idaho	No*	No	Generally, there is no state funding for public transportation, except for the Vehicle Investment Program, which allocates $312,000 from the state highway account for bus vehicle expenditures, and some legislative appropriations for rural transit and services for seniors.
Iowa	Yes	No*	Legislatively, public transit is an eligible use of general funds, however, appropriations have been historically limited to highways, roads, and bridges. Instead, transit funding is provided through dedicated state funds (casino taxes, registration fees) and grant programs (e.g., Public Transit Infrastructure Grant Program, Iowa Clean Air Attainment Program).
Mississippi	No	Yes*	Earmarks non-restricted revenues from the State Highway Fund to the Multi-Modal Transportation Improvement Fund, which includes ports (38%), airports (34%), transit (16%), and rail (12%). Historically, distributions have been limited, with transit receiving $1.6 million and rail $1.2 million.

State	State Funding Earmarked for Transit	Non-Dedicated State Transit Funding	Notes
Missouri	No	Yes*	Between 2012 and 2021, legislative appropriations allocated $1-2 million annually to public transportation. However, in 2023 and 2024, funding amounts increased to $11.7 million annually apportioned by general funds and the multimodal State Transportation Fund.
Montana	No*	No	Earmarks set-aside funds from fuel tax revenues for public transportation; however, the funding amount is limited. In 2024, $75,000 was allocated to the Local Technical Assistance Transportation Program, which, beginning in 2025, will no longer be funded.
New Hampshire	No	No*	Legislative appropriations at the state level could fund public transportation from the general fund, but historically has only funded highways.
North Dakota	No	No*	Limited funding allocated from the Highway Tax Distribution Fund to the Public Transportation Fund ($1.5 million in 2024).
Ohio	No	Yes*	Urban areas receive limited transit funding ($2 million), but the majority is allocated to rural programs ($8.9 million) in 2024.
Oklahoma	No	No*	State income taxes and fuel taxes are apportioned to the Public Transit Revolving Fund but have been historically limited.
South Dakota	No*	No	Limited transit funding allocated from the State Highway Fund ($1.8 million in 2024).
Utah	Yes*	No	Up until 2018, limited transit funds were available. However, the Transit Transportation Investment Fund was enacted increasing funding. In 2024, significant funds were appropriated from the General fund for various transit projects and authorized bond issuance for rail and transit infrastructure, totaling $458 million.
West Virginia	No*	No	Limited funding is available from General Fund state appropriations ($900,000 in 2024).
Wyoming	No*	No	Limited funding is allocated to the Public Transit Program annually ($750,000 in 2024).

Error! Reference source not found. showcases unique cases for public transportation funding at the local level related to the category designation of Table 9.

Table 11: Public Transportation Funding - Local Mechanism Legislative Overview (Unique Cases)

State	Local Funding Earmarked for Transit	Non-Dedicated Local Transit Funding	Notes
Alabama	Yes*	No	Cities with a population above 300,000 may adopt local sales taxes for public transportation. Development impact fees and tax increment districts are also authorized under state statutes to fund public transportation.
Alaska	No	Yes*	Some municipalities may adopt local sales taxes, additional property taxes, vehicle registration taxes, and special assessment districts for public transportation investment. The extent to which a county may levy new taxes is dependent on its classification by the state – different counties are subject to various levels of state oversight. New measures require legislative approval in some counties.
Arizona	Yes*	Yes	Local Transaction Privilege Taxes have varying apportionments based on county population towards public transit. Local jurisdictions may also adopt property taxes, charge development fees, and establish taxing districts that may be used for public transportation.
Colorado	Yes*	Yes	Regional transit districts may levy sales tax for public transportation.
Delaware	Yes*	Yes	Only special development districts may levy ad valorem and special taxes to provide earmarked funding to public transit.
Georgia	Yes*	No	Four counties in Georgia are allowed to levy local option sales taxes (MARTA tax).
Hawaii	Yes*	Yes*	Counties with a population over 500,000 may use local sales tax revenues for transit and housing only. Counties with a population below 500,000 may use local sales tax for oriented towards general transportation.

State	Local Funding Earmarked for Transit	Non-Dedicated Local Transit Funding	Notes
Idaho	No	No*	Local sales taxes are not authorized, except for resort cities with populations of 10,000 or less which may authorize local taxes for public transportation. State statute also authorizes the creation of urban renewal agencies and special assessment districts that can fund and improve public transportation.
Indiana	Yes*	Yes	Certain counties in central Indiana (Marion, Hamilton, Hancock, John, Boone and Hendricks counties) may adopt local option income taxes to fund public transportation.
Kentucky	Yes*	No	Property taxes are used to fund transit. However, the Kentucky Constitution explicitly prohibits local governments from levying other excise taxes, which include sales taxes. State statute also authorizes the levying of occupational license fees, property taxes, and the creation of special taxing districts to fund public transportation.
Maryland	No*	Yes	State statute does not authorize local revenue sources specifically for transportation.
Massachusetts	Yes*	Yes	Earmarked assessment on constituent municipalities is allowed only if the regional transit authority operates on a deficit.
Michigan	Yes*	Yes	Municipalities, metropolitan districts, and transit authorities may assess property taxes for transit funding. Counties as well but require legislative approval.
Minnesota	Yes	Yes*	Local sales taxes can be used for public transportation but require legislative approval.
Mississippi	No	Yes*	Property taxes have flexible use; however local sales taxes require legislative authorization and are only applicable on certain purchases (entertainment, lodging, food and beverage, admissions).
Missouri	No	Yes*	Sales taxes may be levied by municipalities and transit authorities for transportation purposes.

State	Local Funding Earmarked for Transit	Non-Dedicated Local Transit Funding	Notes
Montana	No	Yes*	Property taxes may be levied by municipalities, railway authorities, and urban transportation districts for transportation purposes. Counties and municipalities may also charge development impact fees and create special assessment districts that may be used to fund public transportation.
North Dakota	No	Yes	Property taxes and local fuel taxes may be levied by municipalities for transportation purposes which include transit. Special assessment districts may also be established to fund public transportation.
Oklahoma	Yes*	No	Transportation authorities may adopt sales taxes for public transportation projects. Additionally, counties and municipalities may charge development impact fees, adopt sales taxes, and create special assessment districts to fund public transportation.
Oregon	No	Yes*	Property taxes and local motor fuel taxes may be levied for transportation purposes which include transit.
Pennsylvania	No	Yes*	Localities may impose local option taxes for general transportation purposes, which cannot be earmarked specifically for transit.
Rhode Island	Yes*	No	Property taxes may be levied by municipalities for specific purposes (incl. public transportation). The maximum allowable increase is 4% from the previous levy.
South Carolina	Yes*	No	Regions, counties, and regional transportation authorities may levy transportation sales taxes or assess local vehicle registration fees for transit services.
South Dakota	No	Yes*	Property taxes may be levied by counties, townships, regional rail authorities, and improvement districts for transportation purposes (which includes transit).
Tennessee	No	Yes	Local motor fuel taxes may be levied for transportation purposes (which includes transit).
Texas	Yes*	No	Regional and metropolitan transportation and transit authorities may levy local sales taxes, vehicle registration fees, and emissions taxes for public transportation.

State	Local Funding Earmarked for Transit	Non-Dedicated Local Transit Funding	Notes
Utah	No	Yes*	Localities can levy sales taxes to generate funding for public transportation.
Virginia	Yes*	No	Localities require explicit state authorization for all local option taxes, some of which are authorized for public transportation (e.g. property taxes, vehicle license taxes). Local sales taxes are controlled at the state level and are not permitted. However, regional transportation authorities may be granted special authorization for a regional sales tax which would be dedicated to regional transportation improvements, including transit.
Wyoming	Yes*	No	Regional transportation authorities may assess property taxes to fund transportation projects. Counties may also form special assessment districts to fund transit.

It is also important to note that federal formula funding and competitive grants are among the most important sources of transit funding across the country. However, federal transit funding generally requires a local match of 20 percent or more that can be made with either state or local funding. Given Idaho's status as one of only two states in the United States with little to no state funding for public transportation and essentially no local funding dedicated to transit needs due to the restrictions described above, Idaho is not able to leverage the maximum amount of federal funding that it could if state and local funding were available.

Based on the review of current public transportation funding in the five peer states discussed in Chapter 2, promising state-level mechanisms include general fund appropriations, allocating a portion of the state motor fuel tax to public transportation, a hotel or transient occupancy tax, and a P3 procurement structure that could attract private equity and debt that is not issued by the state.

At the local level, as discussed in Section 3.1, some of the most viable funding mechanisms for public transportation available to Idaho would include local sales, ad valorem property, and local income taxes. The five peer states discussed in Chapter 2 also use TIF and special assessment districts to support investment in public transportation.

The following subsections identify a series of key considerations and possible next steps if these funding mechanisms were to be pursued in Idaho.

State Level

General Fund Appropriation

Idaho could expand the non-restricted revenue allocation from its State Highway Account to enhance earmarked funding for public transportation as part of the Vehicle Investment Program (VIP). The State Legislature has authorized general fund revenues to support the operational and capital needs of public transportation services, with the only allocation currently being $312,000 annually for the VIP. These funds are specifically designated for the purchase, replacement, or rehabilitation of vehicles and equipment, providing critical support for transit agencies like Valley Regional Transit (VRT). While additional funding could be allocated in the future, the VIP program is currently the only recipient of state general fund revenues for public transportation.

Similar models in general fund allocations to transit exist in comparable states such as North Dakota, Utah, Tennessee, and Georgia, which have established public transportation- or multimodal-specific funds ranging from $27 million (Georgia) to $458 million (Utah). Advocating for expansion of the VIP could be a feasible option for Idaho, especially given that the statutory framework for the program is already in place within the state.

Fuel Taxes

Idaho Constitution, Article VII, Section 17 currently prohibits the use of fuel tax revenues to fund public transportation and dedicates them to highway, road, and bridge improvements. South Carolina and Georgia recently amended their state laws to allow motor fuel taxes to fund their State Mass Transit Fund and Transit Trust Fund, respectively, by redirecting a portion of fuel tax revenues to public transportation. Incorporating a set-aside or allocation from fuel taxes in Idaho would require passing a constitutional amendment to expand the use of fuel taxes. Gaining support to pass new legislation and amendments to existing legislation would require significant advocacy efforts and collaboration with state legislators.

Hotel or Transient Occupancy Taxes

Idaho does not currently have legislation that directs hotel tax (Auditorium Tax) revenue to fund public transportation. In contrast, Nevada authorizes counties to levy lodging taxes for transportation purposes, while other states such as Georgia direct 10 percent of the revenues toward public transportation. A similar tax enacted in Idaho could yield modest revenue for public transportation. The Idaho State Tax Commission reports that in 2023, the Auditorium Tax of 5 percent applied to hotel guests within district areas in Boise, Idaho Falls, and Pocatello/Chubbuck brought in $10.8 million in revenue.[92] Auditorium tax revenues are primarily used for constructing, maintaining, and operating multipurpose event centers and related facilities within the auditorium district. Legislative advocacy and coordination with state legislators could be pursued to direct a portion of Auditorium Tax revenues toward state or local public transportation initiatives.

Public-Private Partnerships

Idaho does not currently have a P3 program for public transportation projects. In general, P3s have been implemented within the state for road and highway projects only. One example is the Northgate Project in east Idaho, which included improvements to an interchange on the I-15 corridor and to local roads. Tennessee's approach incorporates leveraging P3s to optimize the use of state transportation funds by involving private sector investment and expertise in the development and management of transit projects. Coordination with the ITD and state legislators would be required to implement P3 arrangements for public transportation. By implementing this strategy, Idaho could attract private investment and innovation to its public transportation infrastructure.

Local Level

Local Sales Tax

Idaho statute only authorizes local sales taxes for public transportation in certain resort cities. There are different legislative requirements for approval in Idaho for resort cities and other municipalities. Resort cities with populations of 10,000 or less have the ability and authorization to levy local option sales taxes that may be used for public transportation. These resort areas include Ketchum, Sun Valley, Driggs, Victor, Ponderay, Sandpoint, Cascade, McCall, and Donnelly. Local measures in resort cities require simple majority voter approval. Legislative authorization would be needed for any other jurisdiction to implement a local option sales tax. Other comparable states have more relaxed requirements, where the majority do not require explicit state authorization and only need

[92] Accessed online at: https://tax.idaho.gov/wp-content/uploads/reports/epb00033/EPB00033_05-24-2024.pdf.

simple majority approval. Given that there are feasible legislative frameworks for local sales tax adoption in Idaho resort cities, legislative advocacy and coordination with state legislators could be pursued to extend the ability to use local option sales tax to the rest of the state. Additional efforts may be conducted to grant authority to transit agencies to levy transportation sales taxes.

Property Tax

Idaho statute does not currently authorize property taxes to be levied for public transportation purposes. However, municipalities currently provide local contributions to transit operators. For instance, VRT currently receives voluntary contributions from municipalities for transit operations, the majority of which are sourced from local property taxes. In contrast, Arizona, Montana, Kentucky, and South Dakota, among other states, enable municipalities and transit authorities to levy property taxes specifically for public transportation. As such, advocacy efforts could be mobilized to either (1) request increased funding from municipal contributions to transit operators using the existing property tax channels, or (2) confer with the state legislature to enable transit authorities and transit districts to levy their own property taxes. While both options would have legislative hurdles, they would likely bring in sizable revenue for public transportation.

Development Impact Fees

Idaho statute currently authorizes local governments to charge development impact fees to pay for capital improvements. Idaho statute currently does not permit the use of these funds for operating expenditures. Traditional uses include physical projects including roads (streets, bridges, right-of-way, traffic signals, landscaping), water and wastewater, parks, and public safety facilities. There is no precedent for transit in Idaho based on available information. All comparable states above and most other states allow using development impact fees to fund public transportation. Given that transit facilities (such as park-and-ride or transit hub facilities) are not explicitly precluded by law, the possibility might exist under specific circumstances where the connection between the development impact and transit improvement is clear and direct. Legal interpretation must be evaluated thoroughly to ensure state law compliance. Considering that construction activity in Idaho has increased significantly in recent years due to population growth,[93] development impact fees are anticipated to increase and could potentially provide significant capital funding for public transportation, assuming that legislative review with the state determines that public transportation is an eligible use.

Tax Increment Financing

TIF is authorized in Idaho and is used in Boise, Nampa, and Caldwell among other cities and towns (Idaho Statutes 50-2007 and 50-2903). TIF is implemented in an Urban Renewal District (URD), an area of a city from as large as several acres to as small as a few square blocks. Properties within the URD are assessed a property tax by an Urban Renewal Agency (URA), and the revenues are utilized to fund specific improvements within the area. An example includes the Capital City Development Corporation 8th Street Redevelopment Plan which included transit stations and bus lane improvements. TIF requires that the boundaries of the URD are defined, as public transportation improvements must provide a direct benefit to the URD. This restriction may limit the eligibility of some municipal public transportation initiatives. All states except Arizona and Hawaii currently use TIFs to fund essential local services, which can include public transportation in some states. Given that TIFs are already enabled within Idaho, increasing the pool of URD could be a potential source of additional public transportation funding.

[93] Accessed online at: https://idahobusinessreview.com/2022/11/03/idahos-construction-industry-on-the-rise/.

Special Assessment Districts

A special assessment district is similar to a TIF in that it is limited to a specific geographic area. While TIF revenues stem from incremental increases in property values, special assessment districts are typically based on the entire assessed property value or on a dollar-per-square-foot basis. Special assessment districts are currently authorized in Idaho and are being used to fund community infrastructure, economic development, and fund projects that support public transportation among other services. Notable cases that were implemented in Idaho include the Harris Ranch Community Infrastructure District and the Downtown Boise Business Improvement District, which have provided funding for bus stops, roadway improvements to accommodate bus transit, pedestrian routes to transit, and additional fixtures such as wayfinding and transit boards. All the comparable states above and the majority of other U.S. states enable the use of special assessment districts to fund public transportation. Given that special assessment districts are already enabled within Idaho, expanding their use is a potential source of additional public transportation funding.

3.3 Key Findings on State Policy for Suballocating STBG Funding

The research conducted for the *Transportation Funding and Governance Study* has explored the processes and methodologies that states use to suballocate their federal formula STBG funds to local agencies. This effort has involved interactions with FHWA, which administers the STBG program, and the completion of a survey of all 50 state DOTs to assemble detailed information on their STBG suballocation practices. The research team also reviewed and summarized existing documentation on the role of state legislatures in allocating federal funds. The FHWA administers the STBG program and publishes a set of computational tables each year that identify the amount of funding apportioned to each state for all nine core Federal-aid Funding Programs.[94] Title 23 U.S.C § 133, the FHWA computational tables, and FHWA's Implementation Guidance for the STBG Program provide explicit instructions on the STBG suballocation process, including the 55/45 percent distribution between STBG funding suballocated to regions and funding available to be spent anywhere in states. In addition, the FHWA computational tables identify the recommended amount of STBG funding to be suballocated to regions of different sizes, including tailored amounts for each Transportation Management Area.

Nonetheless, the FHWA affords states significant flexibility in managing several key aspects of their STBG funding. While FHWA recommends that state allocate 55 percent of their STBG funds to local partners and spend the remaining 45 percent anywhere in the state, state DOTs have the flexibility to suballocate more or less than the 55 percent benchmark to their regional partners. Some states also use other protocols to determine the distribution of the STBG funding to regional partners rather than following the FHWA computational tables. State DOTs and their regional partners also have the flexibility to identify the projects and investments that receive the STBG funding. The processes followed usually reflect local institutional structures and precedent, and generally align with the metropolitan transportation planning process. These responsibilities are shared by state DOTs, MPOs, rural planning organizations, and county and local governments, with variations in each of the four STBG population bands.

In addition, while states may suballocate STBG funding to certain regional partners (i.e., the funds are transferred from the DOT to MPOs or other partners), in some cases, DOTs opt to keep the STBG funding in their own coffers and then spend that money in local regions on projects identified jointly by the state DOT and its local partners. This is particularly true in smaller, more rural areas where local authorities may not be as well-equipped as the state DOT

to manage the implementation of transportation improvement projects. As a result, this dynamic can blur the lines between funds that are suballocated to regions and those that are spent in regions by the state DOT.

As a result of the flexibility described above, there is a great amount of variety in how states suballocate their STBG funding. However, there is little information available on the different approaches taken by the states. The FHWA does not document suballocation activity in the states and state DOTs do not generally report their suballocation practices. The lack of information on STBG suballocation practices makes considering possible changes or refinements to their STBG suballocation policies challenging for elected officials and decision-makers. Hence, there is a need to gather information from state DOTs to better understand the processes and methodologies used by states to suballocate their apportioned STBG funds.

3.3.1 The COMPASS STBG Survey

As COMPASS and its consultants began their research on STBG practices, it became clear that a national compilation of current practices did not exist. Inquiries with FHWA leadership confirmed that it does not track STBG suballocation practices by states and their regional partners. In addition, AASHTO and the National Cooperative Highway Research Program do not cover the issue in their comprehensive publication on *Transportation Governance and Finance: A 50-State Review of State Legislatures and Departments of Transportation.*[95] Discussions with AASHTO revealed that it had conducted an informal survey of STBG suballocation practices among its members in 2019 but received responses from fewer than 20 states.

As a result, COMPASS and the consultant team decided to undertake a national survey of all 50 state DOTs to ascertain their STBG suballocation practices. The purpose of the survey is to document current practices and inform decision-making on STBG suballocation policies in states and regions around the United States. The survey fills a gap in information available on current STBG suballocation practices nationally. More specifically, the purpose of this survey is threefold:

- Assemble a comprehensive understanding of the different ways in which states distribute and benefit from their STBG funding.
- Inform decision-making around STBG suballocation practices in Idaho.
- Provide state DOTs and MPOs and their national industry organizations including AASHTO and the Association of Metropolitan Planning Organizations (AMPO) with an expanded and more comprehensive understanding of STBG suballocation practices nationally.

The COMPASS STBG survey fills a gap in existing knowledge on current STBG suballocation practices. The survey garnered participation from 47 state DOTs and one MPO to provide coverage of 48 of the 50 states. With input from 96 percent of all states, the survey provides a comprehensive picture of current practices from the state DOT's perspective. The survey reveals both commonalities and at the same time a great deal of diversity in how states suballocate their STBG funding to regions.

Important commonalities include the following:

- Over 83 percent of states suballocate 55 percent or more of their available STBG funding to regions. This includes 21 states that suballocate 55 percent and 17 states that suballocate more than 55 percent to regions.

- State DOTs are more likely to suballocate STBG funding to local partners such as MPOs in larger urban regions and to spend STBG funding directly on state projects in smaller urban and rural regions.
- MPOs are more likely to select projects to receive STBG funding in larger urban regions, often working with local partner organizations, while state DOTs are more likely to select projects receiving STBG funding in smaller urban and rural regions.
- Of the 48 states that responded to the STBG survey, 39 of them *(over 81 percent)* suballocate per the FHWA computational tables.

The survey results revealed a significant variety of ways that states interact with local partners and how projects are selected and overseen. From the state DOT perspective, the process involves positive collaboration between states and regions and is driven by institutional relationships, capabilities, regional size, and precedent.

In states that do not suballocate STBG funds per the FHWA computational tables, the survey determined that five states rely on the state DOT or the state Transportation Commission to determine the distribution of the STBG funds. Three states follow a collaborative approach where the state DOT works with regional and local partners to gain concurrence on the distribution of the STBG funding. One of these states assembles a Financial Guidance Work Group comprised of state DOT, MPO, rural planning organizations, and FHWA staff to determine the distribution. While the information is limited, it appears that rural areas in states that do not follow the FHWA computational tables may receive greater amounts of STBG funding compared to urban areas on a per capita basis.

While the COMPASS survey provides an overview of current STBG suballocation practices, there are opportunities for further study. The survey relies on input from state DOTs and does not provide information on the STBG suballocation process from the perspective of MPOs and their partners. While state DOTs may consider that the process is sufficiently collaborative, it would be helpful to confirm the experience of MPOs and other regional and local agencies participating in project selection and other aspects of the STBG suballocation process. Furthermore, additional information is needed on how STBG funds are actually distributed to local agencies and how they can be combined with other funding sources available to regional and local governments.

Given the sheer number of MPOs and local regions across the United States, it is more challenging to capture their collective experience with the STBG suballocation process, but there are opportunities to collaborate on future research through industry organizations such as AMPO.

While the survey reveals certain commonalities in practice, states have the flexibility to implement their own policies and there is no right or wrong approach to suballocating STBG funding to regional partners.

3.4 RUC Program Analysis and Evaluation Findings

RUC as a concept involves the charging of drivers based on the actual distance traveled. This stands in contrast to the current transportation funding approach which is directly based on fuel consumption in the form of state and federal fuel excise taxes.

The primary impetus for pursuing RUC implementation is the long-term sustainability of the nation's primary funding source for transportation investment: fuel taxes. Fuel excise taxes are assessed on a per-gallon basis, meaning that the more fuel-efficient a vehicle is, the less fuel it consumes and the less it pays per mile in fuel taxes. Average fuel efficiency has gradually improved over time but has increased rapidly starting around 2005. These increases have, in large part been driven by concerns about air quality and specifically emissions from the transportation sector. And while increasing fuel efficiency has had positive benefits in reducing carbon dioxide emissions per mile traveled, it has decreased the average amount paid per mile by drivers. Furthermore, the growth in alternative fuel, and particularly battery EVs, will result in an increasingly significant segment of the domestic vehicle fleet not generating any fuel tax revenue.

RUC is intended to address these long-term sustainability challenges by charging drivers for their usage independent of the fuel consumed for travel. A RUC may be structured to vary based on vehicular, household, or travel characteristics but, at their core, RUCs equalize payment for road users and reestablish the "user-pays" concept for transportation investment.

3.4.1 RUC Policy Decisions

As the purchasing power of revenues from the federal and state motor fuel taxes continues to decline, a growing number of states are likely to consider implementing RUC programs to replace or supplement existing motor fuel taxes. The research conducted for the *Transportation Funding and Governance Study* provides an overview of policy considerations for states exploring and implementing RUC systems. These include:

- **Basis for the charge** – Is the RUC implanted as a replacement to an existing funding source, such as fuel taxes, or as a new fee? A RUC implemented as a replacement to the fuel tax will be more complicated to operate and administer as the system must be able to account for fuel taxes paid by drivers at the pump to avoid double payment for road use.
- **Vehicles subject to the fee** – States will need to define which vehicles are subject to the fee. No active program is open to all types of vehicles, and it is likely that future implementations will be limited to vehicles currently underpaying into the transportation system such as EVs.
- **Voluntary versus mandatory participation** – States will need to establish the extent to which participation in the system is mandatory. Voluntary participation, at least regarding technology-based reporting mechanisms, is likely to reduce public opposition to RUC.
- **Third-party roles** – RUC systems are more expensive to operate and administer than the current fuel tax-based transportation funding system. One of the most effective approaches to limiting those costs is to rely on the private sector. States will need to determine what private sector roles and responsibilities will work best for their unique RUC approaches.
- **Use and retention of data** – Data privacy and associate protection requirements will differ from jurisdiction to jurisdiction. The amount of data potentially collected by RUC systems will, therefore, require each state to carefully consider how that data is handled, particularly by private sector partners.
- **Mileage reporting** – All active RUC programs use technology options to report mileage. However, these systems also incorporate low-tech reporting options, such as the use of smartphone-based images to report odometer readings, or no-tech reporting options such as flat fees. States will need to individually determine the appropriate mix of technologies to achieve their RUC objectives.
- **Administration and program costs** – RUC is still a relatively new concept for charging passenger vehicles in the United States. Even though there are three active programs, administrative and program costs for these systems are not well established. As a result of this knowledge gap, agencies should carefully consider how they can evaluate potential costs associated with their unique operational environments as part of pilot activities.

CHAPTER 4. FINDINGS AND CONCLUSIONS

This chapter reviews noteworthy findings in each of the four policy areas assessed in the *Transportation Funding and Governance Study*. This information provides important context for understanding the challenges that the Treasure Valley faces as it seeks to invest in transportation infrastructure that can sustain growth and economic expansion in the future. It is also intended to help inform decision-making in Idaho as the region considers its options in bridging the forecast $5.4 billion funding gap in available transportation funding through 2050.

4.1 Funding Mechanisms for Local Transportation

Section 3.1 identifies 11 funding mechanisms that local governments around the country use to fund their transportation investment needs. Although the use of most of these mechanisms is currently restricted in Idaho, the analysis developed annual revenue forecasts for them using typical levy rates and multiplying them by basis quantities found in greater Boise in the event they could be authorized and used.

Table 12 sorts the different local transportation funding sources identified by their estimated annual revenue potential and provides conservative estimates of the amount of money they could raise in the event they could be implemented in the Treasure Valley over the 25 years between 2025 and 2050. Without additional research on expected growth metrics in the region, the calculation simply multiplies the annual revenue estimates by 25. The reality is that the resulting revenues would experience growth over 25 years. For example, property tax revenue would expand based on the number of properties in the region and the growth of the assessed value of those properties. Idaho's population expanded by over 17 percent between 2010 and 2020 and home values have increased by 165 percent in Idaho over the past 10 years, which is the highest growth rate in the country.[96]

The conservative 25-year revenue estimates provided in Table 12 show that there are several viable revenue options available to the Treasure Valley that would enable the region to generate the necessary revenue to bridge the $5.4 billion revenue gap in transportation funding identified by COMPASS in *Communities in Motion 2050*. The 0.67 percent ad valorem property tax has the highest revenue potential of the different options assessed and could generate 17.5 billion over 25 years. A 1.38 percent local income tax is also estimated to generate $7.4 billion over 25 years. This is followed closely by the 1.57 percent local sales tax that would have the potential to generate $6.6 billion over the same period. Together with existing transportation funding in the region, any of these three options would have the ability to generate the necessary revenue to implement the transportation improvements included in *Communities in Motion 2050*. The levy unit rate for these different revenue mechanisms could be adjusted to align with the regional needs and political palatability. If upfront funding is needed for large capital investments, bonds could also be issued against any of these revenue streams, providing the region with the ability to fast-track the implementation of needed improvements.

[96] Accessed online at: https://constructioncoverage.com/research/cities-with-the-largest-home-price-growth-last-decade.

Table 12: Local Measure 25-Year Revenue Generation Capacity

Local Revenue Source	Annual Estimated Revenue Potential	25-Year Estimated Revenue Potential
Ad Valorem Property Tax	$698.9 million	$17.5 billion
Local Income Tax	$296.9 million	$7.4 billion
Local Sales Tax	$262.2 million	$6.6 billion
Parcel Property Tax	$43.4 million	$1.1 billion
Development Impact Fees (Single-Family)	$36.5 million	$912.5 million
Real Estate Transfer Tax	$24.7 million	$620 million
Local Motor Fuel Tax	$22.7 million	$570 million
Local Vehicle Excise Tax	$21.1 million	$530 million
Local Hotel or Transient Occupancy Tax	$21.2 million	$530 million
Local Vehicle Sales Tax	$17.8 million	$445 million
Local Registration Fees	$17.7 million	$445 million
Development Impact Fees (Multi-Family)	$9.5 million	$237.5 million

Note: Highlighted local revenue sources denote existing local option tax measures available in Idaho.

Individually, the other local revenue mechanisms included in Table 12 would not be expected to generate enough revenue over the 25-year horizon to bridge the $5.4 billion funding gap, but with estimated revenue potential ranging from $230 million to $1.1 billion, they could be combined to generate a significant portion of it. However, it might be more strategic for the region to focus on a single revenue mechanism that could provide everything necessary. While it is not known if elected officials in Idaho or residents of the Treasure Valley would choose to pursue a local revenue measure to support transportation investment, the estimates provided in Table 12 demonstrate that these revenue measures would have the ability to deliver the transportation investments identified in *Communities in Motion 2050*.

4.2 Public Transportation

The comprehensive review of public transportation funding mechanisms undertaken for the *Transportation Funding and Governance Study* has revealed the different strategies and challenges states have faced in securing funding for transit projects. Idaho, like many other states, has a unique set of legislative constraints that limit the use of certain funding sources for public transportation. However, several promising funding and financing mechanisms can be leveraged to enhance transit infrastructure and services in the state.

The analysis has found a growing commitment to improving public transit infrastructure and services in states like Georgia and Utah, which have established dedicated funds to provide flexible funding for transportation investment needs. The Georgia Transit Transportation Infrastructure Fund and Utah's Transit Transportation Investment Fund

are designed to support a variety of transit initiatives, providing strategic solutions to public transportation funding needs.

Local governments also play a critical role in funding public transportation, with municipalities in Georgia and North Dakota using local sales taxes, special assessments, and TIF to generate revenue for transit projects. These local initiatives complement state funding and help expedite the implementation of transit improvements.

At the federal level, leveraging FTA formula funding programs and competitive grants will be crucial for Idaho. These programs support urban and rural transit systems through initiatives like the Congestion Mitigation and Air Quality program and Section 5307. Ensuring that Idaho's transportation projects align with federal funding criteria and maintaining compliance with all regulatory requirements are essential to maximize federal support. To meet the local match requirements needed to maximize access to federal funds, Idaho would benefit from expanding state and local public transportation funding.

At the state level, legislative advocacy should focus on expanding the scope of existing public transportation funding sources and providing access to new sources of funding for public transportation, such as the motor fuel taxes to support transit, which is an effective strategy used in other states. Increasing appropriations from the State Highway Account to the VIP and promoting P3s could also provide new funding for transit development.

At the local level, municipalities in Idaho could adopt innovative financing mechanisms to support transit projects, such as expanding the use of TIF and special assessment districts, which could generate significant revenue for capital transit improvements. In addition, pursuing legislative changes to permit broader use of local sales tax, property taxes, and the auditorium tax for public transportation could provide additional sources of sustainable funding. Focusing on these strategic measures at federal, state, and local levels will help Idaho and the Treasure Valley to build a robust public transportation system to meet the region's needs.

4.3 STBG Suballocation Practices in Idaho

Idaho is one of nine states that does not suballocate its STBG funding per the FHWA computational tables. Rather, it follows Idaho Transportation Board Policies 4028 and 4028S, which split funds between rural and urban jurisdictions proportionally to population as reported in the 1990 census and lane miles. The ITD provides 50 percent of its STBG funding to regions with populations less than 5,000 and divides the remaining 50 percent across the remaining regions in the state. It provides the full amount of funding specified in the STBG computational tables to regions with populations greater than 200,000 by providing additional STBG funding from the portion available anywhere in the states, leaving regions between 5,000 and 200,000 less than the recommended funding levels in the FHWA computational tables.

As a result of these practices, the total amount of STBG funding suballocated to regions in Idaho is 51.2 percent (lower than the 55 percent benchmark), while the portion available to be spent anywhere in the state is 48.8 percent (higher than the 45 percent recommended level). In FY 2024, STBG funding has been directed to regions as follows:

- Areas with populations greater than 200,000 received 25 percent of the suballocation, compared to the 24 percent recommended in the computational tables
- Areas with populations between 50,000 and 200,000 received 20 percent of the STBG suballocation, while the computational tables recommend that they receive 31 percent
- Areas with populations between 5,000 and 50,000 received 10 percent of the state's STBG suballocation compared to the 15 percent recommended in the computational tables

- Areas with populations less than 5,000 received 45 percent of the state's STBG suballocation even though they only represent 31 percent of the state's population, as reflected in the computational tables

While the Treasure Valley receives a proportional amount of the state's STBG funding, the analysis determined that while areas with populations between 5,000 and 200,000 are home to 46 percent of the state population, they only receive 30 percent of the state's available STBG funding. There is also an imbalance in STBG funding going to areas in Idaho with populations less than 5,000, which receive 45 percent of the state's STBG funding but only represent 31 percent of the state's population. Such imbalances are unusual in other states, particularly in the 39 states that suballocate their STBG funding per the FHWA computational tables.

4.4 The Future of RUC in Idaho

As the migration to EVs and the reduction in the proceeds from motor fuel taxes continue, RUC will become an increasingly important source of transportation funding in Idaho. However, the implementation of RUC will require overcoming a variety of challenges. The *Transportation Funding and Governance Study* has reviewed the different RUC pilots and implementations that have been implemented in the United States and has yielded many lessons learned and best practices that will be helpful for decision-makers in Idaho as they consider the transition to RUC.

- Increasing public acceptance – The public is largely unaware of how transportation is funded and, therefore, tends to react negatively to the RUC concept, which is viewed as costly relative to fuel taxes. Concerns about cost can be addressed by stressing the role of the private sector in administration, which will reduce costs to the state. Furthermore, RUC targeted to EVs and other AFVs may be viewed as penalizing environmentally conscientious drivers and undermining state and national climate change mitigation goals. This can be addressed by emphasizing the fairness of RUC relative to the current funding system where EV owners pay significantly less for usage of transportation infrastructure.
- Addressing Privacy Concerns – In addition to being viewed as costly and complex, RUC systems also tend to be viewed as intrusive. Agencies can address this by offering numerous reporting options and stressing the voluntary nature of technology-based reporting mechanisms. Furthermore, states can emphasize that data collected from these technologies is handled by third-party service providers and that government agencies do not receive detailed travel information on individual drivers.
- Urban versus Rural Fairness – RUC is likely to be viewed as penalizing rural drivers who must travel farther for work, recreation, and medical care. As part of communications and engagement activities, agencies should indicate how drivers are currently burdened under the fuel tax-based funding system. Research has determined that rural drivers tend to drive less fuel-efficient vehicles, and a RUC might result in lower relative fuel taxes for them.
- Compliance – Fuel taxes are advantageous from a compliance perspective because they are embedded in the retail purchase price of fuel and, therefore, very difficult to evade. RUC is collected after travel has occurred and, therefore, requires a much more robust enforcement and compliance regime. Agencies can improve RUC compliance in several ways including providing numerous account management options, allowing users to adjust the frequency they pay the RUC, and finding ways to link RUC to other services drivers already use such as use-based insurance programs.
- RUC Technology Provision – Agencies should strive to accommodate many different reporting options to allow users to adopt the approach they are most comfortable with. Telematics-based approaches, in particular, are considered a very viable long-term option as they are increasingly incorporated as a standard feature in new model vehicles. Regardless of the specific technology approaches adopted, agencies will need to establish robust data sharing, data security, and privacy protection measures for any technology-based reporting approach.

- **Impact on EV Adoption** – In addition to being viewed as punitive to environmentally conscientious drivers, RUC may also be viewed as potentially depressing EV adoption by increasing the cost to operate these vehicles. EVs are typically cheaper to operate on a per-mile basis relative to traditional internal combustion engine vehicles. However, the rates applied under the three active RUC programs are not enough to make internal combustion engine vehicles cost competitive. Furthermore, states with operational systems have not reported any decline in the registration of EVs following implementation of their programs.

4.5 National Trends in Transportation Finance and Policy

While local conditions vary state to state, states around the country are dealing with similar policy challenges that they are all striving to address. Structural issues with state-level motor fuel tax, such as the increased fuel economy of internal combustion automobile engines, have led to stagnant or decreasing tax collections despite a total increase in vehicle miles traveled. States are confronting these challenges by periodically increasing motor fuel taxes and vehicle registration fees or exploring other revenue sources, including tolling. Meanwhile, the revenues generated by other state-level sources have decreased purchasing power due to inflation and increases in construction costs. Many states have countered this by indexing state revenue sources to metrics such as inflation and the Construction Cost Index. The increased costs of operating, maintaining, and improving state transportation systems have led to higher expenditures from 2021 to 2023, and transportation comprising a larger percentage of state budgets.

While national congestion metrics have not yet returned to 2019 levels, congestion remains a pervasive challenge. High-growth states are adopting a range of options to mitigate increased congestion while generating additional revenue which can in turn fund additional projects to relieve congestion. These options include congestion pricing or price-managed lanes, such as Tennessee's Choice Lanes initiative.

Transportation funding is also shifting as the country transitions to EVs from fuel combustion engines. To address this, some states, including Georgia, have imposed taxes on the sale of electricity for charging EVs, while others, including North Dakota, have recently increased EV registration fees. Finally, several states, including Utah, are implementing or piloting RUC programs, which charge road users by each mile driven rather than by each gallon of fuel consumed.

Among the peer states, there is discernible movement toward enhanced funding for public transit. More specifically, recent legislative changes have supported public transportation funding enabling local governments to raise dedicated local revenue measures to fund public transportation improvements, without increasing property taxes. For instance, the Metropolitan Atlanta Rapid Transit Authority and other regional transit agencies in Georgia benefit from these local sales taxes and the state's dedicated Transit Trust Fund, which provides additional financial resources for infrastructure projects.

A review of recent trends in public transportation funding and policy reveals the following key findings:

- **Enhanced State Funding Mechanisms**: States like North Dakota and Utah have established dedicated funds to provide flexible and adaptable funding streams for transportation projects. North Dakota's Flexible Transportation Fund and Utah's Transit Transportation Investment Fund are designed to support a variety of transit initiatives, demonstrating a strategy to funding public transportation.
- **Substantial Financial Commitments**: Many states have allocated significant state funds to public transit. For example, Utah's 2024 budget includes approximately $1 billion for transportation and transit improvements, with a focus on major public transit projects. Similarly, Tennessee's Transportation Modernization Act of 2023 allocates $3.3 billion to address the state's transportation needs, of which $200 million is allocated annually to expand public transit infrastructure.

- **Local Government Initiatives**: Local governments play a critical role in funding public transit. Municipalities in Georgia and North Dakota use local sales taxes, special assessments, and TIF districts to generate revenue for transit projects. These local initiatives complement state funding and help address regional transit needs.
- **Integrated and Comprehensive Planning**: States are developing comprehensive transportation plans that integrate public transit improvements with broader infrastructure projects. South Carolina's 2040 Statewide Multimodal Transportation Plan and Utah's Unified Transportation Plan (2023-2050) outline long-term strategies for enhancing public transit services, reflecting a holistic approach to transportation planning.

4.6 Forging a Path Forward in the Treasure Valley

The study is intended to inform decision-making on transportation funding and policy in Idaho by providing an appreciation of the challenges that states across the country face in meeting their transportation investment needs, as well as a range of options that other states and regions are adopting in to invest in their transportation future.

Idaho is currently the second fastest growing state in the country and its growth is fueled by the greater Boise region, where the population is expected to grow by 37 percent by 2050 to nearly 1.1 million. The Treasure Valley has a goal of developing a multimodal transportation system, including public transportation, bicycle, pedestrian, and highway improvements that will sustain the region's economic vitality and meet its mobility needs. However, inadequate transportation funding threatens the region's ability to do so.

In 2015, HB 312 implemented a seven-cent-per-gallon increase in Idaho's motor fuel tax, raised vehicle registration fees, and instituted a fee on electric and hybrid vehicles. The research for the *Transportation Funding and Governance Study* has indicated that other states have taken similar measures in response to the diminishing purchasing power of state motor fuel taxes. Furthermore, in 2021, HB 362 redirected $80 million in existing state funding to transportation purposes allowing the state to bond for up to $1.6 billion for highway-related transportation infrastructure projects statewide – the single largest investment in infrastructure in Idaho history.

While these important developments demonstrate the importance that decision-makers in Idaho place on transportation investment needs, Idaho is one of only two states in the United States with very limited to no dedicated state funding and limited ability to raise local revenue options to support investment in transit.[97]

Through its review and analysis of state and local transportation funding practices in all 50 states, the *Transportation Funding and Governance Study* shows that states and regions across the country are partnering to provide significant investments in public transportation, expanded highway capacity, and other mobility enhancements. The study also shows that the Treasure Valley can fund its transportation needs through a variety of strategies if it gains the legislative authority from the state to do so.

[97] In Idaho, local sales taxes are not authorized, except for resort cities with populations of 10,000 or less which may authorize local taxes for public transportation.

APPENDIX A. STATE FACT SHEETS

Alabama

All allocations of state transportation revenues must be used for road projects, per constitutional restrictions on transportation revenue uses. A county cannot use its allocations from additional taxes on gasoline and diesel on new construction unless its existing roads meet certain maintenance standards.

Demographics

Population:
5.02 million
% Population Change (2010-2020):
+5.1%
Lane Miles of Roads:
209,560 mi

State Fuel Taxes

Gasoline:
$0.29/gallon
Diesel:
$0.30/gallon

State Vehicle Registration Fees

Passenger Vehicle Fee:
$23/year
Additional Plug-in Hybrid Fee:
$103/year
Additional Electric Vehicle Fee:
$203/year
Truck Registration Fee:
$23-$890/year

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
Yes, $0.75 per $1

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes[1]	Yes	City
Property Tax	No	No	No	N/A
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	Yes[1]	Yes	City, County
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes	Yes	District

1. Subject to geographical restrictions.

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes[1]	City
Property Tax	No	Yes	County
Tolls	No	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	Yes[2]	County
Fuel Tax	Yes	Yes	County
Special Assessment District	No	Yes	District

1. Cities with a population of 300,000 or more may adopt a 0.25 percent sales tax for public transit
2. Baldwin County and its constituent municipalities may charge developers impact fees to pay for development-related capital improvements. Although not in statute, the legislature has enacted special "local acts" that allow some counties to assess sales taxes for roads or transit.
* Cities, counties, and highway districts are authorized to issue bonds for transportation.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

Alaska

The state constitution prohibits the dedication of state revenues to any special purpose unless federally required or dedicated prior to statehood. Thus, all state revenues are available for appropriation. As with state taxes, most local taxes in Alaska constitutionally cannot be dedicated to any special purpose.

Demographics

Population:
733,391
% Population Change (2010-2020):
+3.3%
Lane Miles of Roads:
35,908 mi

State Fuel Taxes

Gasoline/Diesel:
$0.0895/gallon

State Vehicle Registration Fees

Passenger Vehicle Fee:
$100/two-year period
Commercial Vehicle Registration Fee:
$90-$331/year

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes[1]	Yes	County
Property Tax	No	Yes[1]	Yes	County
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	Yes[1]	No	County
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes[1]	Yes	County

1. Subject to geographical restrictions

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	Municipality
Property Tax	No	Yes	Municipality
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	Yes	Municipality
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	Municipality

* Municipalities are authorized to purchase bonds, the total amount of outstanding notes at any one time may not exceed $300 million.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

Arizona

Local transaction privilege tax revenue dedicated to public transportation varies by county. For public transportation, any new local option tax would be classified as a special tax, and typically requires supermajority voter approval. Unique vehicle license tax based on car value.

Demographics

Population:
7.15 million
% Population Change (2010-2020):
+11.9%
Lane Miles of Roads:
146,761 mi

State Fuel Taxes

Gasoline:
$0.18/gallon
Diesel (light/exempt vehicles):
$0.18/gallon
Diesel (heavy/non-exempt):
$0.26/gallon

State Vehicle Registration Fees

Passenger Vehicle Fee:
$13.50/year*
New Vehicle License Tax:
$2.80 per $100 of assessed value/year**
Used Vehicle License Tax:
$2.89 per $100 of assessed value/year**
Commercial Vehicle Fee:
$7.50 - $918/year
*Includes registration, title, and air quality research fees
**Levied on assessed value of 60 percent of the manufacturer's base retail price reduced by 16.25 percent for each year since vehicle was first registered in Arizona

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap:
Yes, $0.90 per $1

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions: =55%
STBG allocations using federal computational tables?
No
If different protocol used, Entity Determining Distribution:
Arizona DOT

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No[1]	Yes[2]	Yes	City, County
Property Tax	No	Yes	Yes	City, County
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes	Yes	District

1. State authorized to appropriate sales taxes to fund public transportation but no historical precedent
2. Subject to geographical restrictions

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes[1]	County
Property Tax	No	Yes	County
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	Yes	City, County
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	District

1. Counties with a population of 1.2 million or more may levy a transportation sales tax at a rate not greater than 10 percent of the transaction privilege tax. Revenues must be distributed using a statutory formula.
* Municipalities may issue bonds to finance the cost of transportation projects.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

Arkansas

Uses various sources of funding for transportation, including alternative fuel tax, rental vehicle tax, natural gas severance tax, rail regulation fees, water transportation ad valorem tax, pine timber sales tax, and casino tax.

Demographics

Population:
3.01 million
% Population Change (2010-2020):
+3.3%
Lane Miles of Roads:
204,105 mi

State Fuel Taxes

Gasoline:
$0.245/gallon
Diesel:
$0.285/gallon

State Vehicle Registration Fees

Passenger Vehicle Fee:
$17-30/year
Additional Plug-in Hybrid Fee:
$100/year
Additional Electric Vehicle Fee:
$200/year
Truck Registration Fee:
$21-$1,350/year

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No[1]	Yes	Yes	City, County
Property Tax	No	No	No	N/A
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	No	No	No	N/A
Special Assessment District	No	No	No	N/A

1. Sales tax on some items eligible to fund public transportation (e.g., rental vehicles).

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	City, County
Property Tax	No	Yes	County
Tolls	Yes	Yes	Regional Mobility Authority
Vehicle Registration Fees	Yes	Yes	City, County, District
Development Impact Fees	No	Yes	Municipality
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	City, County, District

* Municipalities are granted the authority to issue revenue bonds as needed to cover the expenses related to street and parking projects.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, no activity

California

There is dedicated transit funding through most state revenue sources which are authorized into various transit, VMT reduction and emissions programs. Notably, California has instituted a Cap-and-Trade program which provides revenue for public transit, passenger rail, pedestrian and bicycle facilities, and other transportation uses that reduce greenhouse gases.

Demographics

Population:
39.54 million
% Population Change (2010-2020):
+6.1%
Lane Miles of Roads:
396,616 mi

State Fuel Taxes

Gasoline:
$0.511/gallon + 2.25% sales tax
Diesel:
$0.389/gallon + 13% sales tax

State Vehicle Registration Fees

Base Registration Fee:
$62/year
Additional California Highway Patrol Fee:
$29/year
Additional ZEV "Road Improvement" Fee:
$102/year
Additional Transportation Improvement Fee:
$28-$196/year
Vehicle License Fee:
0.65% of vehicle market value
Truck Registration Fee:
Based on gross weight

Financing

State Infrastructure Bank: No
Federal Fund-Swap: Yes, $1 per $1

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
<55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	Yes	City, County
Property Tax	No	Yes	Yes	Transportation Authority
Tolls	Yes	Yes	Yes	Transportation Authority
Vehicle Registration Fees	Yes	Yes	Yes	City, County
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	Yes	Yes	Yes	City, County, Transportation Authority
Special Assessment District	No	Yes	Yes	City, County, District

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	County, District/Authority
Property Tax	No	Yes	District/Authority
Tolls	Yes	Yes	District/Authority
Vehicle Registration Fees	Yes	No[1]	N/A
Development Impact Fees	No	Yes	City, County, Agency
Fuel Tax	Yes	Yes	County, District, San Francisco MPO
Special Assessment District	No	Yes	City, County, District

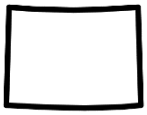
1. The State Vehicle License Fee is directly allocated to cities and counties.
* Cities are authorized to issue bonds to cover costs of improvements within the city; MPOs may issue bonds with legislative approval.

Road Use Charge Program

Does the state have a Road Usage Charge program?

Yes - initial pilot authorized in 2017 and completed in 2021, the state passed SB 339 extending the California Road Charge Program until January 1, 2027.

Colorado



Regional transportation authorities can be established by municipalities, counties, and special districts, raising revenue for transit through sales, use, vehicles, hotel taxes, property taxes, and bonds.

Demographics

Population:
5.77 million
% Population Change (2010-2020):
+14.8%
Lane Miles of Roads:
185,827 mi

State Fuel Taxes

Gasoline:
$0.22/gallon
Diesel:
$0.205/gallon
*Road Usage Fee:
$0.03/gallon
**Bridge and Tunnel Impact Fee:
$0.03/gallon
*Additional charge per gallon of gasoline and diesel
**Additional charge per gallon of diesel

State Vehicle Registration Fees

Passenger Vehicle Base Fee:
$36.80/year*
Ownership Tax:
2.45% of vehicle value
Vehicle Emission Fee:
$25/year
Additional Electric Vehicle Fee:
$50/year
Truck Registration Fee:
Based on gross weight
*Includes $10/year license plate fee

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap: No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	Yes	County, Transportation Authority
Property Tax	No	Yes	Yes	Transportation Authority
Tolls	No[1]	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes	Yes	District

1. State authorized to direct excess toll revenue to capital transit projects but no historical precedent.

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes[1]	County, Authority
Property Tax	No	Yes	County
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes[2]	Yes	N/A
Development Impact Fees	No	Yes[2]	County
Fuel Tax	Yes	Yes	County
Special Assessment District	No	Yes	District

1. Counties may collect sales taxes for transit - except for counties within the Denver metropolitan area's Regional Transportation District, which may levy its own district-wide tax. Regional transportation authorities are also authorized to assess their own sales tax, limited by statute to 2%.
2. Vehicle-related fees/charges must be used on highways. State statute directs $10 million of the road safety surcharge to transit and bike/pedestrian facilities.
* Regional transportation authorities and municipalities may issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
Pilot completed - implemented RUC-adjacent program for charging delivery fee. See RUC database for more information.

Connecticut

State statute does not authorize local revenue sources specifically for transportation. Most locally generated transportation funds are drawn from general revenue sources such as local property taxes.

Demographics

Population:
3.61 million
% Population Change (2010-2020):
+0.9%
Lane Miles of Roads:
45,899 mi

State Fuel Taxes

Gasoline:
$0.25/gallon*
Diesel:
$0.401/gallon

*Does not include additional 8.1% petroleum products gross earnings tax

State Vehicle Registration Fees

Passenger Vehicle Fee:
$120 per three years*
Truck Registration Fee:
Based on gross weight

*Does not include additional license plate fee, administrative fee, etc.

Financing

State Infrastructure Bank:
No
Federal Fund-Swap:
Yes, $1.00 per $1

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	No	N/A
Property Tax	No	Yes	Yes	City, County
Tolls	No[1]	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	Yes	Yes	District

1. State authorized to direct excess toll revenue to capital transit projects but no historical precedent.

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	N/A
Property Tax	No	No	N/A
Tolls	No	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	Municipality

* Municipalities and districts may issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
Pilot participation as a partner – affiliated with the Eastern Transportation Coalition

Delaware

As with fuel taxes, the constitution directs vehicle registration and document fees, motor carrier road use taxes and registration fees, and revenues from the Delaware Turnpike solely to the multimodal Transportation Trust Fund, unless another purpose is approved by a three-fourths vote of each legislative chamber under certain circumstances.

Demographics

Population:
989,948
% Population Change (2010-2020):
+10.2%
Lane Miles of Roads:
14,119 mi

State Fuel Taxes

Gasoline:
$0.23/gallon*
Diesel:
$0.22/gallon*
*Does not include additional 1.675% gross receipts tax on gasoline and diesel

State Vehicle Registration Fees

Passenger Vehicle Fee:
$40/year
Truck Registration Fee:
$40/year for first 5,000 lbs.
$18/year per additional 1,000 lbs.

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	No	N/A
Property Tax	No	Yes	Yes	City, County
Tolls	Yes	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	Yes	Yes	City, County

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	City, County
Bonds	Yes	Yes	Municipality
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	Municipality

* Municipalities may issue bonds for the costs of design, construction, etc. of public infrastructure with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
Pilot participation as a partner – affiliated with the Eastern Transportation Coalition

Florida

Fuel tax includes statewide minimum local option tax $0.06 per gallon dedicated toward local transportation projects. Fuel tax revenues are constitutionally restricted to multimodal transportation expenditures (with exceptions).

Demographics

Population:
21.54 million
% Population Change (2010-2020):
+14.6%
Lane Miles of Roads:
276,289 mi

State Fuel Taxes

Gasoline:
$0.333/gallon*
Diesel:
$0.343/gallon*

*Does not include additional $0.00048 per gallon coastal protection tax, $0.00119 per gallon water quality tax, and $0.01904 per gallon inland protection tax

State Vehicle Registration Fees

Passenger Vehicle Fee:
$225 first-time registration fee
$14.50-$32.50/year following
Truck Registration Fee:
$225 first-time registration fee
$60.75-$1,322/year following

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	Yes	County
Property Tax	No	Yes	Yes	County, Transportation Authority
Tolls	Yes	Yes	Yes	County
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	Yes	Yes	County, District
Fuel Tax	Yes	Yes	Yes	County
Special Assessment District	No	Yes	Yes	County

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	County
Property Tax	No	Yes	County, Authority
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	Yes	Municipality, County, District
Fuel Tax	Yes	Yes	County
Special Assessment District	No	Yes	County

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, no activity

Georgia

Authorized fees on for-hire ground transportation for public transit projects. State agencies (but not authorities) are prohibited from entering into any contract that constitutes a state of indebtedness. All funds must be available to the agency and encumbered when the contract is executed.

Demographics

Population:
10.71 million
% Population Change (2010-2020):
+10.6%
Lane Miles of Roads:
273,086 mi

State Fuel Taxes

Gasoline:
$0.291/gallon*
Diesel:
$0.326/gallon*

*Does not include a $0.0075 per gallon environmental assurance fee

State Vehicle Registration Fees

Passenger Vehicle Fee:
$20/year
Additional Alternative Fuel Vehicle Fee:
$213.70/year

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	Yes	District
Property Tax	No	Yes	Yes	City, County
Tolls	No[1]	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes[2]	Yes	County

1. State authorized to direct excess toll revenue to public transportation but no historical precedent.
2. Subject to geographical restrictions.

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	Special District
Property Tax	No	Yes	Municipality, County
Tolls	Yes[1]	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	Yes	Municipality, County
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	City, County, Authority

1. Tolls are authorized, but currently only toll facilities are managed lanes.
* Municipalities and authorities are authorized to issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, no activity

Hawaii

Number of Honolulu-specific statutes (ex. transit-oriented development assessments). Unique funding mechanisms include $15 county bike registration fees ($30 for e-bikes) to be used for bikeways and fines for using mobile devices while driving, dedicated to road, bridge, bike, and pedestrian projects.

Demographics

Population:
1.46 million
% Population Change (2010-2020):
+7.0%
Lane Miles of Roads:
9,804 mi

State Fuel Taxes

Gasoline/Diesel:
$0.16/gallon + 4% excise tax on sale of gasoline

State Vehicle Registration Fees

Base Motor Vehicle Fee:
$45/year
Vehicle Weight Tax:
$0.0175 per lb (<4,000lb)
$0.02 per lb (4,001lb - 7,000lb)
$0.0225 per lb (7,001lb - 10,000lb)
Alternative Fuels/Electric Vehicle Fee:
$50/year

Financing

State Infrastructure Bank:
No
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
<55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes[1]	Yes	County
Property Tax	No	No	No	N/A
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	Yes	Yes	Yes	County
Fuel Tax	No	Yes	Yes	County
Special Assessment District	No	Yes	Yes	County

1. Subject to geographical restrictions.

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes[1]	County
Property Tax	No	No	N/A
Tolls	No	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	Yes	Yes	County
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	County

1. Counties may establish a local option 0.5% surcharge on the state sales and excise tax, administered by the state. Counties with a population over 500,000 that adopt the surcharge may use the revenues for mass transit and housing capital costs only.
* Counties may issue bonds; legislative approval required.

Road Use Charge Program

Does the state have a Road Usage Charge program?

Road Usage Charge bill was signed into law through Act 222 on July 5, 2023 – the program will be active starting July 1, 2025

Idaho

Dedicated transit funding from state revenue sources is limited. Notable restrictions include local option sales tax authorized for resort cities with less than 10,000 residents only.

Demographics

Population:
1.84 million
% Population Change (2010-2020):
+17.3%
Lane Miles of Roads:
109,059 mi

State Fuel Taxes

Gasoline/Diesel:
$0.32/gallon*
*Does not include additional $0.01/gallon Petroleum Clean Water Trust Fund transfer fee

State Vehicle Registration Fees

Passenger Vehicle Fee:
$45-69/year
Additional Plug-in Hybrid Fee:
$75/year
Additional Electric Vehicle Fee:
$140/year
Truck Registration Fee:
$73-$336.88/year

Financing

State Infrastructure Bank:
No
Federal Fund-Swap:
Yes, $0.80 per $1 for STBG-Rural

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
<55%
STBG allocations using federal computational tables?
No
If different protocol used, Entity Determining Distribution:
Idaho Transportation Department (ITD)

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	Yes	City
Property Tax	No	No	No	N/A
Tolls	No[1]	No	No	N/A
Vehicle Registration Fees	No	Yes[2]	Yes	County
Development Impact Fees	No	No[3]	No	N/A
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes	Yes	District

1. Tolls authorized for public transportation are possible via IDT Board resolution
2. Public transportation must be specified in ordinance
3. Public transportation not explicitly precluded, but no historical precedent

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes[1]	City
Property Tax	No	Yes	County
Tolls	Yes[2]	No	N/A
Vehicle Registration Fees	Yes	No[3]	County
Development Impact Fees	No	Yes	City, County
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	District

1. Resort cities with populations of 10,000 or less may levy local sales taxes.
2. Authorized but not in use.
3. Cannot exceed two times the state registration fee.
* Cities, counties, and highway districts are authorized to issue bonds for transportation.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No

Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs. Senate Bill 1065 introduced in the First Regular Session of 2023 of the 67th Legislature proposed an alternative for electric vehicle and plug-in hybrid owners to registration fees. The mileage fee would be $0.01/mile, replacing the additional fee for electric and plug-in hybrid vehicles, capped at the additional fee rate. The bill was not advanced after introduction.

Illinois

Notable revenue sources include outdoor advertising revenue (for roads and bridges only), lottery revenue, and cigarette, casino, video gaming, and sports wagering taxes (all transportation uses). 90% of STBG funding is allocated by region via an IDOT formula.

Demographics

Population:
12.81 million
% Population Change (2010-2020):
-0.1%
Lane Miles of Roads:
306,748 mi

State Fuel Taxes

Gasoline:
$0.392/gallon + 6.25% use tax
Diesel:
$0.467/gallon + 7.5% use tax

State Vehicle Registration Fees

Passenger Vehicle Fee:
$151/year
Additional Electric Vehicle Fee:
$100/year
Truck Registration Fee:
Based on gross weight

Financing

State Infrastructure Bank:
No
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
No
If different protocol used, Entity Determining Distribution:
Illinois DOT, in agreement with County Engineers, Municipalities/ Municipal League, and MPOs

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes[1]	Yes	City, Transportation Authority
Property Tax	Yes	Yes	Yes	City, County, Transportation Authority, District
Tolls	Yes	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	Yes	Yes	County
Fuel Tax	Yes	Yes[1]	Yes	City, County
Special Assessment District	No	Yes	Yes	District

1.Subject to geographical restrictions.

Local Transportation Funding

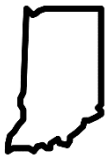
	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes[1]	City
Property Tax	Yes	Yes	County, District
Tolls	Yes	Yes	City, County
Vehicle Registration Fees	Yes	Yes	N/A
Development Impact Fees	No	Yes	County
Fuel Tax	Yes	Yes[2,3]	County
Special Assessment District	No	Yes	Any Governmental Unit

1. Non-Home Rule cities, the Regional Transportation Authority (Chicago), and Metro-East Mass Transit District may levy sales tax for infrastructure.
2. Municipalities with 100,000+ population and some Chicago-area counties may adopt local option fuel taxes.
3. Municipalities in a county with 3+ million population (Cook County) may impose an additional local option fuel tax. The Regional Transportation Authority may impose local option fuel taxes for transit purposes.
* Bonds may be issued by municipal corporations with voter approval.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

Indiana



Public-private partnership lease concessions are used for roads and bridges, but not authorized for transit. Tolling of Interstate 69 or other non-tolled roads that were in existence on July 1, 2011, is prohibited without specific legislative approval.

Demographics

Population:
6.79 million
% Population Change (2010-2020):
+4.7%
Lane Miles of Roads:
203,045 mi

State Fuel Taxes

Gasoline:
$0.32/gallon + 7% use tax
Diesel:
$0.53/gallon

State Vehicle Registration Fees

Passenger Vehicle Fee:
$21.35/year
Additional Hybrid Vehicle Fee:
$50/year
Additional Electric Vehicle Fee:
$150/year
Truck Registration Fee:
$72-$1,692/year

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap:
Yes

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
<55%
STBG allocations using federal computational tables?
Yes
If a different protocol is used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	Yes	City, County
Property Tax	No	Yes	Yes	District
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes	Yes	District

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	N/A
Property Tax	No	Yes[1]	Municipality, County, District
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	Yes	Municipality, County
Development Impact Fees	No	Yes	Municipality, County
Fuel Tax	Yes	Yes	County
Special Assessment District	No	Yes	District

1. Municipalities and counties can use for bridge projects only; transit districts may also impose property taxes for transit.
* Municipalities may purchase bonds, only for specific project-related costs.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, no activity

Iowa

Allocates a high proportion of STBG funds (69%) toward regions. The state also features two discretionary grant programs for public transit – the Public Transit Infrastructure Grant Program and the Iowa Clean Air Attainment Program.

Demographics

Population:
3.19 million
% Population Change (2010-2020):
+4.7%
Lane Miles of Roads:
235,669 mi

State Fuel Taxes

Gasoline:
$0.30/gallon
Diesel:
$0.325/gallon

State Vehicle Registration Fees

Passenger Vehicle Fee:
$126/year (average fee)
Additional Plug-in Hybrid Fee:
$65/year
Additional Electric Vehicle Fee:
$130/year
Truck Registration Fee:
Based on gross weight

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap:
Yes, $1 per $1

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	No	N/A
Property Tax	No	Yes	Yes	City
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	Yes	Yes	City, County
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes	Yes	City, County

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	City, County
Tolls	Yes[1]	No	N/A
Vehicle Registration Fees	Yes	Yes	County
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	No	County
Special Assessment District	No	Yes	City, County

1. Permitted, but not in use.
* Municipalities and cities may issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, no activity

Kansas

Kansas charges higher registration fees for electric and hybrid vehicles rather than imposing a supplemental registration fee on these vehicles, as is typically the case. Additionally, Kansas employs a vehicle property tax.

Demographics

Population:
2.94 million
% Population Change (2010-2020):
+3.3%
Lane Miles of Roads:
286,087 mi

State Fuel Taxes

Gasoline:
$0.24/gallon
Diesel:
$0.26/gallon

State Vehicle Registration Fees

Passenger Vehicle Fee:
$30-40/year + property tax
Hybrid/ Plug-in Fee:
$50/year* + property tax
Electric Vehicle Fee:
$100/year* + property tax
Truck Registration Fee:
Based on gross weight

*While Hybrid/Plug-in and Electric Vehicle fees are typically levied in addition to the passenger vehicle fee, Kansas simply charges a higher rate for these vehicles

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap:
Yes, exchange rate varies by year

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	Yes	County, District
Property Tax	No	Yes	Yes	City
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes	Yes	City

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	County, District
Property Tax	No	Yes	Municipality, County
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	Yes	City
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	City

* Cities and municipalities have the authority to purchase bonds for transportation-related purposes.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
Yes, the pilot is currently active.

Kentucky

Special taxing districts may be established with a petition, supported by at least 25% of registered voters in the proposed district over the last four general elections. New legislation (see Task 5 database) introduces transportation improvement districts under county governments, allowing cities over 20,000 population or one to three contiguous counties to establish them.

Demographics

Population:
4.51 million
% Population Change (2010-2020):
+3.8%
Lane Miles of Roads:
167,145 mi

State Fuel Taxes

Gasoline:
$0.246/gallon
Diesel:
$0.216/gallon

State Vehicle Registration Fees

Passenger Vehicle Fee:
$21/year
Hybrid Vehicle Fee:
$60/year
Electric Vehicle Fee:
$120/year

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
<55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes[1]	No	N/A
Property Tax	No	Yes	Yes	Transportation Authority
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes	Yes	District

1. Constitution restricts local excise taxes.

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes[1]	N/A
Property Tax	No	Yes	District
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	County, District

1. Constitution restricts local excise taxes.
* Cities, counties, and districts may issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
Enacted a $0.03 per kWh excise tax and $0.03 surtax on power used to charge electric vehicles in 2022 through HB 8, funds to be deposited in the state road fund. A kilowatt per hour (kWh) charge on electric vehicles is "RUC adjacent."

Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

Louisiana

Louisiana allows any political subdivision to levy special taxes for public improvements with voter approval. The state is also using damages from the Deepwater Horizon oil spill litigation to fund road, bridge, port, and waterway projects.

Demographics

Population:
4.66 million
% Population Change (2010-2020):
+2.7%
Lane Miles of Roads:
134,135 mi

State Fuel Taxes

Gasoline/Diesel:
$0.20/gallon
Inspection Fee*
$0.00125/gallon
Underground Storage Tank Fee*
$0.008/gallon
*In addition to gasoline/diesel tax

State Vehicle Registration Fees

Passenger Vehicle Fee:
$10/year + $1/year per $1,000 in assessed vehicle value in excess of $10,000
Additional Hybrid Vehicle Fee:
$60/year
Additional Electric Vehicle Fee:
$110/year
Truck Registration Fee:
Varies by truck weight

Financing

State Infrastructure Bank:
No
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	Yes	City, County, District
Property Tax	No	Yes	Yes	City, County, District
Tolls	No	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County, Transportation Authority
Fuel Tax	Yes	Yes	Yes	City, County, Transportation Authority
Special Assessment District	No	Yes	Yes	City, District

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	Municipality, District
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	Yes[1]	Any Political Subdivision
Development Impact Fees	No	Yes[1]	Any Political Subdivision
Fuel Tax	Yes	Yes[1]	Any Political Subdivision
Special Assessment District	No	Yes	Municipality

1. The state constitution allows any political subdivision to levy special taxes for public improvements with voter approval.
* Any governing authority may issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?

Act 578 of the 2022 Regular Session of the Louisiana Legislature enacted a road usage fee (La. R.S. 32:461) to be applied to all EV/HV operated on the roads of Louisiana and required to be registered beginning January 1, 2023. The act allows for consideration of mileage in rate setting. However, fees are currently assessed on a flat-rate basis and there is no mileage-based component. Thus, it is not yet considered an active RUC program.

Does the state have a Road Usage Charge pilot program?

No, but the state is monitoring Road Usage Programs.

Maine

Wholesale liquor contract revenues are used to fund road and bridge projects. Dedicated state transit funding is provided via the Multimodal Transportation Fund, which mainly receives rental vehicle sales tax revenue.

Demographics

Population:
1.36 million
% Population Change (2010-2020):
+2.6%
Lane Miles of Roads:
46,801 mi

State Fuel Taxes

Gasoline:
$0.30/gallon
Diesel:
$0.312/gallon

State Vehicle Registration Fees

Passenger Vehicle Fee:
$35/year
Truck Registration Fee:
Based on gross weight

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	No	N/A
Property Tax	No	Yes	Yes	City, County, Transportation Authority
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes	Yes	City, County

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	District
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	Yes	Municipality
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	Municipality

* Municipalities and authorities have the authority to issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

Maryland

Corporate income taxes are authorized to fund roads and bridges, public transit, rail (passenger and freight), airports and aviation, and ports and waterways, and pedestrian and bicycle projects

Demographics

Population:
6.18 million
% Population Change (2010-2020):
+7.0%
Lane Miles of Roads:
71,244 mi

State Fuel Taxes

Gasoline:
$0.361/gallon
Diesel:
$0.3685/gallon

State Vehicle Registration Fees

Passenger Vehicle Fee:
$110.50-$161.50/year
Truck Registration Fee:
$123.75-$148.75/year

Financing

State Infrastructure Bank:
No
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	No	N/A
Property Tax	No	Yes	Yes	City, County
Tolls	No	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	Yes	Yes	County
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	Yes	Yes	District

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	No	N/A
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	Yes	County
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	County

* Municipalities and counties have the authority to issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
Pilot Participation as partner, Eastern Transportation Coalition.

Massachusetts

There are numerous state-administered discretionary grant programs supporting local transportation projects, including the Complete Streets Funding Program, Local Bottleneck Reduction Program, and the Regional Transit Innovative Grant.

Demographics

Population:
7.03 million
% Population Change (2010-2020):
+7.4%
Lane Miles of Roads:
77,804 mi

State Fuel Taxes

Gasoline/Diesel:
$0.24/gallon*

*Does not include additional $0.028601/ gallon underground storage tank delivery fee, $250 per tank/year underground storage tank fee, and $0.0012/gallon oil spill response and prevention fee

State Vehicle Registration Fees

Passenger Vehicle Fee:
$60, every other year
Truck Registration Fee:
Based on gross weight

Financing

State Infrastructure Bank:
No
Federal Fund-Swap:
Yes, $0.75 per $1

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	No	N/A
Property Tax	No	Yes	Yes	City, County
Tolls	No	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	Yes	Yes	City, County

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	N/A
Property Tax	No	No	N/A
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	Municipality, Authority

* Cities, towns, and districts may issue bonds for various purposes, including transportation-related projects.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
Pilot Participation as partner, Eastern Transportation Coalition.

Michigan

Individual income taxes, about $600 million annually, are allocated to the Michigan Transportation Fund for road and bridge programs. Marijuana excise taxes, allocated in part (35%) to the Michigan Transportation Fund, also fund road and bridge programs. Neither fund is authorized for public transportation.

Demographics

Population:
10.08 million
% Population Change (2010-2020):
+2.0%
Lane Miles of Roads:
256,295 mi

State Fuel Taxes

Gasoline/Diesel:
$0.272/gallon*

*Does not include additional $0.01/gallon environmental protection regulatory fee

State Vehicle Registration Fees

Passenger Vehicle Fee:
~$100+/year, depending on vehicle list price, age, weight
Additional Plug-in Hybrid Fee:
$50-$120/year, based on weight
Additional Electric Vehicle Fee:
$140-$240/year, based on weight
Truck Registration Fee:
Based on gross weight

Financing

State Infrastructure Bank:
Yes, in use*
Federal Fund-Swap:
Yes, $0.80 per $1
*Not authorized by statute

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	No	N/A
Property Tax	No	Yes	Yes	City, County, District, Transportation Authority
Tolls	No	No	No	N/A
Vehicle Registration Fees	Yes	Yes	Yes	Transportation Authority
Development Impact Fees	No	Yes	Yes	Transportation Authority
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	Yes	Yes	City, County, District, Transportation Authority

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	N/A
Property Tax	No	Yes	Municipality, District, Authority
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	Yes	Authority
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	District

* Counties, districts, and municipalities may issue bonds for capital improvements.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
Yes, active pilot

Minnesota

The Metropolitan Council is a uniquely powerful metropolitan planning organization for the Twin Cities (Minneapolis and St. Paul) – its regional authority granted by state statutes allow it to implement taxes and tax revenue sharing among municipalities.

Demographics

Population:
5.71 million
% Population Change (2010-2020):
+7.6%
Lane Miles of Roads:
291,814 mi

State Fuel Taxes

Gasoline/Diesel:
$0.285/gallon*

*Does not include $0.001/gallon inspection fee and a $0.02/gallon cleanup fee (only goes into effect if the Petroleum Tank Fund falls below $4 million)

State Vehicle Registration Fees

Passenger Vehicle Base Fee:
$10/year + 1.54% of vehicle base price*
Electric Vehicle Fee:
$75/year- additional
Truck Registration Fee:
Based on gross weight

*Depreciated over 10 years to a minimum total fee of $30

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
Yes, negotiated rate with local agencies

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes[1]	Yes	City, County
Property Tax	No	Yes	Yes	City, Transportation Authority
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	Yes	Yes	City, County
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	Yes	Yes	City, County
Special Assessment District	No	Yes	Yes	City, County

1. Also requires authorization from State Legislature

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	N/A
Property Tax	No	Yes[1]	Municipality, MPO, Transit Agency/Authority
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	Yes[2]	County
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes[3]	City

1. The Metropolitan Council (Twin Cities) is the only MPO currently authorized.
2. Wheelage tax capped at $20 for road and bridge projects.
3. Only nonresidential and multiunit residential property located in the special service district may be subject to the charges imposed by the city on the special service district.
* Municipalities may issue bonds to acquire or to better public lands and buildings, and other public improvements of a capital nature.

Road Use Charge Program

Does the state have a Road Usage Charge program?
Legislation introduced in 2022 (HF 523) would have established a statewide road usage charge for electric vehicles but failed to advance in the legislature.

Does the state have a Road Usage Charge pilot program?
Multiple pilots completed, 2024 Pilot not active yet.

Mississippi

Transportation funding is largely restricted to highway and bridge projects – from the highway construction contract tax to the lubricating oil tax.

Demographics

Population:
2.96 million
% Population Change (2010-2020):
-0.2%
Lane Miles of Roads:
162,160 mi

State Fuel Taxes

Gasoline/Diesel:
$0.18/gallon*

*Additional $0.004/gallon environmental protection fee and underground storage fee of $150 per tank/year

State Vehicle Registration Fees

Passenger Vehicle Fee:
$15/year
*License Tag Renewal Fee:
$12.75/year
Additional Hybrid Vehicle Fee:
$75/year
Additional Electric Vehicle Fee:
$150/year
Truck Registration Fee:
$17.20-$2,862.00/year
*Composed of three flat rate fees for decals, the Mississippi Trauma Care Systems Fund, and MDOT

Financing

State Infrastructure Bank:
No
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
No Survey Response Received
STBG allocations using federal computational tables?
No Survey Response Received
If different protocol used, Entity Determining Distribution:
No Survey Response Received

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes[1]	Yes	City, County
Property Tax	No	Yes	Yes	City, County, Railroad Authority
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	Yes	Yes	District

1. Also requires authorization from State Legislature.

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	City, County, District, Authority
Tolls	Yes[1]	No	N/A
Vehicle Registration Fees	Yes	Yes[2]	County
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	Yes[2]	County
Special Assessment District	No	Yes	District

1. Authorized but not in use.
2. Currently in use by three counties for seawalls and coastal highway improvements and construction.
* Municipalities are authorized to issue bonds for transportation-related purposes.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, no activity

Missouri

Assesses state vehicle registration fees based on the taxable horsepower of the vehicle. Also allows local tolling through "transportation corporations" – nonprofit, quasi-governmental agencies.

Demographics

Population:
6.15 million
% Population Change (2010-2020):
+2.8%
Lane Miles of Roads:
278,101 mi

State Fuel Taxes

Gasoline/Diesel:
$0.27/gallon*

*Additional 0.0007/gallon petroleum inspection fee and $0.0035 /gallon transport load fee. Legislation is set to raise the fuel tax in $0.025 increments through FY 2026.

State Vehicle Registration Fees

Passenger Vehicle Fee:
$18-51/year
Additional Registration Fee:
$6.25/year for processing and railroad crossing safety
Additional Plug-in Hybrid Fee:
$63+/year
Additional Electric Vehicle Fee:
$126+/year
Truck Registration Fee:
$15.75-$100.75/year

Financing

State Infrastructure Bank:
Yes, in use
(not authorized by statute)
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	Yes	City, County, Transportation Authority
Property Tax	No	No	No	N/A
Tolls	No	Yes	Yes	Transportation Authority
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes	Yes	District

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	City, County, Authority
Property Tax	No	Yes	District
Tolls	No	Yes	Transportation Corporation[1]
Vehicle Registration Fees	Yes	Yes	City
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	Yes[2]	Municipality
Special Assessment District	No	Yes	Municipality, District

1. Transportation corporations—nonprofit, quasi-governmental agencies that localities can form to develop and oversee transportation projects—may impose tolls and other user charges.
2. Must be approved by a two-thirds majority vote of the people. Proceeds must be used for road and street purposes, including policing and related debt.
* Municipalities may issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?

Missouri has tried several times to pass legislation to change its vehicle registration approach to account for fuel efficiency, a move viewed as transitioning that fee to being usage based. The most recent effort was HB 500 and SB 201 in the 2019 legislative session, but those efforts failed to pass.

Montana

Only allocates 28% of STBG funding (FHWA recommendation: 55%) toward regions and does not use federal computational tables.

Demographics

Population:
1.084 million
% Population Change (2010-2020):
+9.6%
Lane Miles of Roads:
150,133 mi

State Fuel Taxes

Gasoline:
$0.33/gallon*
Diesel:
$0.2975/gallon*

*Additional $0.0075/gallon petroleum storage tank cleanup fee.

State Vehicle Registration Fees

Passenger Vehicle Fee:
$28-$217/year
Additional Plug-in Hybrid Fee:
$140-$200/year, weight-based
Additional Electric Vehicle Fee:
$260-$380/year, weight-based
Truck Registration Fee:
$10-$375/year

Financing

State Infrastructure Bank:
No
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
<55%
STBG allocations using federal computational tables?
No
If different protocol used, Entity Determining Distribution:
Montana DOT

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	No	N/A
Property Tax	No	Yes	Yes	City, County, Transportation Authority, District
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	Yes[1]	No	No	N/A
Special Assessment District	No	Yes	Yes	District

1. Limited state funding that is anticipated to end starting 2025.

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes[1]	Municipality
Property Tax	No	Yes	Municipality, County, District/Authority
Tolls	No	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	Yes	Municipality, County
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	District

1. For resort communities only, levied for public facilities such as streets, bridges, and docks.
* Cities, counties, and city-county governments may issue bonds for urban highway system projects within their jurisdiction.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

Nebraska

All allocations of state transportation revenues must be used for road projects, per constitutional restrictions on transportation revenue uses. A county cannot use its allocations from additional taxes on gasoline and diesel on new construction unless its existing roads meet certain maintenance standards.

Demographics

Population:
1.96 million
% Population Change (2010-2020):
+7.4%
Lane Miles of Roads:
194,080 mi

State Fuel Taxes

Gasoline/Diesel:
$0.291/gallon

State Vehicle Registration Fees

Passenger Vehicle Fee:
$15/year
Additional Registration Fee*:
$4/year
Additional Alternative Fuel Vehicle Fee:
$75/year
Truck Registration Fee:
$23-$890/year
*Composed of Department of Motor Vehicles (DMV), Emergency Medical System Operation Fund, and State Recreation Road Fund fees

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap:
Yes, 90%

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	Yes	City, County
Property Tax	No	Yes	Yes	City, County, Transportation Authority
Tolls	No	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	No	No	N/A

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	Municipality
Property Tax	No	Yes	Municipality, County, Authority
Tolls	Yes	No	N/A
Vehicle Registration Fees	No	Yes[1]	Municipality
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	District

1. For road and street maintenance only.
* Municipalities and counties may issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

Nevada

Tolls are prohibited in the state. Dedicated transit funding from state revenue sources such as the State Highway Fund is very limited. Localities can leverage sales taxes, development impact fees, and bonds approved through local ordinances to fund transit (geographic restrictions apply).

Demographics

Population:
3.10 million
% Population Change (2010-2020):
+15.0%
Lane Miles of Roads:
100,941 mi

State Fuel Taxes

Gasoline:
$0.23/gallon*
Diesel:
$0.27/gallon*

*Additional $0.0075/gallon cleanup fee and $0.00055/gallon petroleum products inspection fee

State Vehicle Registration Fees

Passenger Vehicle Fee:
$33/year + service tax*
Truck Registration Fee:
$33-$1,360/year

*The governmental service tax is calculated as 35% of the manufacturer's suggested retail price in its first year, then depreciated over 9 years according to a statutory schedule until a minimum of 15 percent. The tax rate is $0.04 per $1 of value, with a minimum tax of $16.

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
<55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	Yes	County
Property Tax	No	No	No	N/A
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	No	No	No	N/A
Special Assessment District	No	No	No	N/A

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	City
Property Tax	No	Yes[1]	County
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	Yes [2]	N/A
Development Impact Fees	No	No	County
Fuel Tax	Yes	Yes	County
Special Assessment District	No	Yes	District

1. Counties with a population of 100,000 or more must allocate a portion of their property taxes to the State Highway Fund for highway projects in that county.
2. Counties may levy supplemental governmental services taxes on vehicles for road/street projects. Voter approval for the tax is needed for counties whose populations are less than 100,000 or more than 700,000.
* Municipalities may issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
Completed pilot, no activity.

New Hampshire

Most revenue sources are not authorized to fund public transportation. Like many states, the constitution restricts the use of vehicle-related charges and taxes to public highways, including traffic supervision and debt, prohibiting diversions to other purposes.

Demographics

Population:
1.38 million
% Population Change (2010-2020):
+4.6%
Lane Miles of Roads:
33,448 mi

State Fuel Taxes

Gasoline/Diesel:
$0.222/gallon*

*Additional $0.00125/gallon pollution control fee and $0.015/gallon cleanup fee

State Vehicle Registration Fees

Passenger Vehicle Fee:
$31.20-55.20/year
Additional Plug-in Hybrid Fee:
$50/year
Additional Electric Vehicle Fee:
$100/year
Truck Registration Fee:
By weight on a per pound basis.

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	No	N/A
Property Tax	No	No	No	N/A
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	Yes	Yes	City
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	No	No	No	N/A
Special Assessment District	No	No	Yes	Cities, Towns

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	No	N/A
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	Yes	Municipality
Development Impact Fees	No	Yes	Municipality
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	Municipality

* Municipalities are authorized to issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

New Jersey

There are six state-level discretionary grant programs: the Municipal Aid Program, Transit Village Program, Bikeway Grant Program, Safe Streets to Transit, Local Freight Impact Fund Grant Program, and the Local Bridges Fund.

Demographics

Population:
9.29 million
% Population Change (2010-2020):
+5.7%
Lane Miles of Roads:
85,191 mi

State Fuel Taxes

Gasoline:
$0.423/gallon*
Diesel:
$0.493/gallon*

*Additional tax of $0.0005/gallon spill compensation and petroleum transfer

State Vehicle Registration Fees

Passenger Vehicle Fee:
$35.50-$84.00/year
Truck Registration Fee:
$105-$890/year

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
No, discontinued

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
<55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	No	N/A
Property Tax	No	No	No	N/A
Tolls	Yes	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	Yes	Yes	County
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	No	No	N/A

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	Municipalities
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	Yes	Municipality, County
Fuel Tax	Yes	No	N/A
Special Assessment District	No	No	N/A

* Municipalities, state DOT, and NJ TRANSIT have the authority to issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

New Mexico

The state levies a "trip tax" on each trip made by the operator of a foreign-based commercial motor carrier vehicle in lieu of registration and weight distance-based fees.

Demographics

Population:
2.12 million
% Population Change (2010-2020):
+2.8%
Lane Miles of Roads:
150,747 mi

State Fuel Taxes

Gasoline:
$0.17/gallon*
Diesel:
$0.21/gallon*

*Additional $0.01875/gallon petroleum products loading fee

State Vehicle Registration Fees

Passenger Vehicle Fee:
$27-$62/year
Truck Registration Fee:
$38-$207/year

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	Yes	City, County, Transportation Authority
Property Tax	No	No	No	N/A
Tolls	No	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	Yes	Yes	District

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	Municipality, County Regional Transit District
Property Tax	No	Yes	County
Tolls	No	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	Yes	Municipality, County
Fuel Tax	Yes	Yes	County
Special Assessment District	No	Yes	Any Governing Body

* Counties and municipalities may issue bonds for transportation-related purposes, with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

New York

Dedicated transit funding from state revenue sources is available through a transportation trust fund comprised of various fees and taxes. State statute establishes mortgage recording taxes for county use and requires some counties to use the revenues for public transit.

Demographics

Population:
20.20 million
% Population Change (2010-2020):
+4.2%
Lane Miles of Roads:
240,827 mi

State Fuel Taxes

Gasoline:
$0.253/gallon + 4% sales tax
Diesel:
$0.2355/gallon + 4% sales tax

State Vehicle Registration Fees

Passenger Vehicle Fee:
$13-$70/year
Additional Electric Vehicle Fee:
$16.25/year
Truck Registration Fee:
Based on gross weight and distance traveled

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
No Survey Response Received
STBG allocations using federal computational tables?
No Survey Response Received
If different protocol used, Entity Determining Distribution:
No Survey Response Received

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	Yes	County, Transportation Authority
Property Tax	No	No	No	N/A
Tolls	Yes	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	No	No	N/A

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	Town
Tolls	Yes	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	No	N/A
Special Assessment District	No	No	N/A

* Municipalities may issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No

Does the state have a Road Usage Charge pilot program?
Assembly Bill A4094 in the 2021-2022 legislative session would have established a RUC pilot program to assess issues related to implementation but it did not advance.

North Carolina

Has a highly centralized transportation system, in which NCDOT builds and maintains secondary roads and there are no county road departments. Transportation authorities may adopt vehicle rental taxes.

Demographics

Population:
10.44 million
% Population Change (2010-2020):
+9.5%
Lane Miles of Roads:
229,902 mi

State Fuel Taxes

Gasoline/Diesel:
$0.39/gallon
Inspection tax*:
$0.0025/gallon

*In addition to gasoline/diesel tax.

State Vehicle Registration Fees

Passenger Vehicle Fee:
$46.25/year
Additional Plug-in Hybrid Fee:
$107.25/year
Additional Electric Vehicle Fee:
$214.5/year
Truck Registration Fee:
Based on gross vehicle weight

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	No	N/A
Property Tax	No	Yes	Yes	City, County
Tolls	No	No	No	N/A
Vehicle Registration Fees	Yes	Yes	Yes	City, County, Transportation Authority
Development Impact Fees	No	No	No	N/A
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	Yes	Yes	City, County, District

Local Transportation Funding

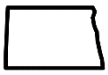
	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	City, County
Tolls	No	No	N/A
Vehicle Registration Fees	No	Yes	Municipality, Transportation Authorities
Development Impact Fees	No	No	N/A
Fuel Tax	No	No	N/A
Special Assessment District	No	Yes	County,[1] City, District

1. A county may levy property taxes within defined service districts in addition to those levied throughout the county to finance, provide, or maintain the district's services provided in addition to or to a greater extent than those financed, provided, or maintained for the entire county. In addition, a county may allocate to a service district any other revenues whose use is not otherwise restricted by law.
* Municipalities are authorized to issue bonds to finance projects or refund outstanding revenue bonds.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

North Dakota



Vehicle registration fees may be levied by the 12 Home Rule counties in North Dakota.

Demographics

Population:
779,094
% Population Change (2010-2020):
+15.8%
Lane Miles of Roads:
179,369 mi

State Fuel Taxes

Gasoline/Diesel:
$0.23/gallon
Inspection fee*:
$0.00025/gallon

*In addition to gasoline/diesel tax.

State Vehicle Registration Fees

Passenger Vehicle Fee:
$49-$274/year
Additional Plug-in Hybrid Fee:
$50/year
Additional Electric Vehicle Fee:
$120/year
Truck Registration Fee:
Based on gross vehicle weight and age

Financing

State Infrastructure Bank:
Yes, inactive
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
No
If different protocol used, Entity Determining Distribution:
State DOT

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	No	N/A
Property Tax	No	Yes	Yes	City, County
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	Yes[1]	Yes	Home Rule Counties
Special Assessment District	No	Yes	Yes	City, County

1. Subject to geographical restrictions.

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	County, Municipality
Tolls	No	No	N/A
Vehicle Registration Fees	No	Yes	Home Rule Counties
Development Impact Fees	No	No	N/A
Fuel Tax	No	Yes	Home Rule Counties
Special Assessment District	No	No	N/A

* Municipalities are authorized to issue bonds to fund development projects.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

Ohio

Revenues from fuel taxes and registration fees must be used for highway purposes, traffic enforcement, or the hospitalization of indigent people who are injured in highway accidents, in accordance with constitutional restrictions on transportation revenues.

Demographics

Population:
11.80 million
% Population Change (2010-2020):
+2.3%
Lane Miles of Roads:
262,465 mi

State Fuel Taxes

Gasoline:
$0.385/gallon, plus 0.65% petroleum activity tax
Diesel:
$0.45/gallon, plus 0.65% petroleum activity tax

State Vehicle Registration Fees

Passenger Vehicle Fee:
$20/year*
Additional Hybrid Fee:
$100/year
Additional Plug-in Hybrid Fee:
$150/year
Additional Electric Vehicle Fee:
$200/year
Truck Registration Fee:
Based on gross vehicle weight.

Financing

State Infrastructure Bank:
Yes, in use*
Federal Fund-Swap:
Yes, $0.85 per $1
*Separate federally and state-capitalized accounts.

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	Yes	County, Transportation Authority
Property Tax	No	Yes	Yes	Transportation Authority
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	Yes	Yes	District
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	No	No	N/A
Special Assessment District	No	No	No	N/A

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	County, Regional Transit Authority
Property Tax	No	Yes	Regional Transit Authority
Tolls	No	No	N/A
Vehicle Registration Fees	Yes	Yes	Counties, Municipalities
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	Rapid Transit Commissions

* Municipalities are authorized to issue bonds to finance various projects.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

Oklahoma

The "Driving on Road Infrastructure with Vehicles of Electricity (DRIVE)" program collects a $0.03 per-kilowatt-hour tax on electricity used to charge a vehicle at a public, for-profit charging station.

Demographics

Population:
3.96 million
% Population Change (2010-2020):
+5.5%
Lane Miles of Roads:
239,687 mi

State Fuel Taxes

Gasoline and Diesel:
$0.19/gallon*

*This does not include a $0.01/gallon assessment for the Petroleum Storage Tank Indemnity Fund.

State Vehicle Registration Fees

Passenger Vehicle Fee:
Starts at $96/year, decreases on a sliding scale based on vehicle age*.
Additional Plug-in Hybrid Fee:
$82/year up to 6,000 lbs
Additional Electric Vehicle Fee:
$110/year up to 6,000 lbs
Truck Registration Fee:
Based on gross vehicle weight.

*Could include four additional flat rate fees that total $11.

Financing

State Infrastructure Bank:
Yes, inactive
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
<55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	Yes	Transportation Authority
Property Tax	No	No	No	N/A
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	Yes[1]	No	No	N/A
Special Assessment District	No	Yes	Yes	District

1. Fuel taxes apportioned for public transportation have historically been limited.

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	Transportation Authority
Property Tax	No	Yes	District
Tolls	No	No	N/A
Vehicle Registration Fees	No	No	N/A
Development Impact Fees	No	Yes	Municipality
Fuel Tax	Yes	No	N/A
Special Assessment District	No	No	N/A

* Districts and municipalities may issue bonds for projects and general improvements, with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No HB 1712, signed into law in 2021, established the Road User Charge Task Force and charged it with studying and reporting on transportation funding alternatives to address declining fuel tax revenues. **Does the state have a Road Usage Charge pilot program?**
The state has completed a pilot program and is monitoring other programs.

Oregon

Motor vehicles with a gross vehicle weight of more than 26,000 pounds pay a weight-distance tax called the "weight-mile tax" in lieu of state fuel taxes.

Demographics

Population:
4.24 million
% Population Change (2010-2020):
+10.6%
Lane Miles of Roads:
161,989 mi

State Fuel Taxes

Gasoline and Diesel:
$0.40/gallon*

*Does not include a $10 per load, petroleum load fee.

State Vehicle Registration Fees

Base Passenger Vehicle Fee:
$43/year*, **
Additional Electric Vehicle Fee:
$115/year**Truck Registration Fee:
Based on gross vehicle weight

*Additional surcharges range from $20-$35, based on fuel efficiency.
**Owners of vehicles and electric vehicles with a rating of 40 miles per gallon or more can either pay the surcharge or enroll in the state's road usage charge program and pay a per-mile charge instead.

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
Yes, $0.94 per $1

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	No	N/A
Property Tax	No	Yes	Yes	City, County, District
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	Yes	Yes	City, County
Special Assessment District	No	Yes	Yes	District, Transportation Authority

Local Transportation Funding

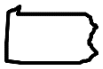
	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	City, County, District
Bonds	No	Yes	City, County
Tolls	No	No	N/A
Vehicle Registration Fees	No	Yes	County, Local Government
Development Impact Fees	No	Yes	Local Government
Fuel Tax	Yes	Yes	County, Local Government
Special Assessment District	No	No	N/A

* Cities and counties can issue bonds for approved capital construction, improvements, and costs; subject to certain limitations.

Road Use Charge Program

Does the state have a Road Usage Charge program?
Yes
Does the state have a Road Usage Charge pilot program?
No, state has an active Road Usage Charge program

Pennsylvania



Low-income older adults and certain other eligible persons and groups are exempt from registration fees and only pay a $10 processing fee.

Demographics

Population:
13.0 million
% Population Change (2010-2020):
+2.4%
Lane Miles of Roads:
252,038 mi

State Fuel Taxes

Gasoline:
$0.576/gallon*
Diesel:
$0.741/gallon*

*Does not include a $0.011/gallon fee on gasoline and diesel or the Underground Storage Tank Indemnification Fund.

State Vehicle Registration Fees

Passenger Vehicle Fee:
$45/year
Truck Registration Fee:
Based on gross vehicle weight

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
No
If different protocol used, Entity Determining Distribution:
Other decision-making Entity

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	No	N/A
Property Tax	No	No	No	N/A
Tolls	Yes	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes[1]	No	City, County, District

1. Tax may be imposed for general transportation purposes, not specifically authorized to fund public transportation.

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	County
Tolls	Yes	No	N/A
Vehicle Registration Fees	No	Yes	County
Development Impact Fees	No	Yes	Municipality
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	District

* Municipalities have the option to guarantee, insure, or become obligated on the land bank's indebtedness, subject to applicable laws.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
Pilot participation as a partner affiliated with the Eastern Transportation Coalition

Rhode Island

Registration fees are waived for veterans with qualifying disabilities. The state has no formal statutory program for allocating state revenues to local entities for transportation projects.

Demographics

Population:
1.10 million
% Population Change (2010-2020):
+4.3%
Lane Miles of Roads:
12,737 mi

State Fuel Taxes

Gasoline and Diesel:
$0.29/gallon*

*Rate does not include a $0.01/gallon environmental protection regulatory fee and a $0.0012/gallon uniform oil response and prevention fee.

State Vehicle Registration Fees

Passenger Vehicle Fee:
$30-$48/year*
Truck Registration Fee:
Based on gross vehicle weight*

*Does not include a $15 annual surcharge for the Rhode Island Highway Maintenance Account, and a $2.50 technology surcharge. Assessed annually, collected biennially.

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	No	N/A
Property Tax	No	Yes	Yes	City, County
Tolls	No	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	Yes	Yes	District

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	No	N/A
Tolls	No	No	N/A
Vehicle Registration Fees	No	No	N/A
Development Impact Fees	No	Yes	Municipality
Fuel Tax	No	No	N/A
Special Assessment District	No	Yes	District

* Cities, towns, and municipalities may issue bonds, subject to certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
Yes, Pilot participation as a partner – affiliated with the Eastern Transportation Coalition

South Carolina

Counties and townships are authorized to levy local "hospitality taxes" on food and beverages for tourism-related capital investments, which may include roads and bridges.

Demographics

Population:
5.12 million
% Population Change (2010-2020):
+10.7%
Lane Miles of Roads:
166,220 mi

State Fuel Taxes

Gasoline and Diesel:
$0.28/gallon*
*Does not include a $0.0025/gallon inspection fee and a $0.005/gallon environmental impact fee.

State Vehicle Registration Fees

Passenger Vehicle Fee:
$36-$40/biennially
Infrastructure Maintenance Fee:
5% of vehicle purchase price, upon initial registration only
Additional Plug-in Hybrid Fee:
$60/biennially
Additional Electric Vehicle Fee:
$120/biennially

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	Yes	County
Property Tax	No	No	No	N/A
Tolls	No	No	No	N/A
Vehicle Registration Fees	Yes	Yes	Yes	Transportation Authority
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	Yes	Yes	City, County, District

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	County, District, Township
Tolls	No	Yes	County
Vehicle Registration Fees	Yes	Yes	Regional Transportation Authorities
Development Impact Fees	No	Yes	Local Government
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	District, Municipality

* Cities and municipalities may issue bonds, subject to certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, no RUC activity.

South Dakota

Counties and cities can exchange their locally available federal funds for state funds, placing the burden of meeting federal requirements on the state, and not the local entities.

Demographics

Population:
886,667
% Population Change (2010-2020):
+8.9%
Lane Miles of Roads:
166,098 mi

State Fuel Taxes

Gasoline and Diesel:
$0.28/gallon*
*Does not include a $0.02/gallon tank inspection fee.

State Vehicle Registration Fees

Passenger Vehicle Fee:
$36-$188/year*
Additional Registration Fee**:
$~11/year
Additional Electric Vehicle Fee:
$50/year

*Does not include a $0.02/gallon tank inspection fee.

**Composed of four fees collected at time of registration, including a $0.25 per tire solid waste management fee, a highway patrol fee, a decal, and a plate fee.

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
Yes

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
No
If different protocol used, Entity Determining Distribution:
State Transportation Commission/Board

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	No	N/A
Property Tax	No	Yes	Yes	City, County, Railroad Authority, District
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	No	No	N/A
Special Assessment District	No	No	No	N/A

Local Transportation Funding

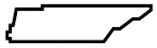
	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	County, Township, Railroad Authority, District
Tolls	No	No	N/A
Vehicle Registration Fees	Yes	Yes	County
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	Yes	City [1]
Special Assessment District	No	Yes	District

1. Cities may levy local option fuel taxes for municipal streets, but not if they also have a municipal sales tax.
* Every municipality has the authority to issue bonds within constitutional limits.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

Tennessee



State statute authorizes counties to assess user fees for public works projects that may include roads.

Demographics

Population:
6.91 million
% Population Change (2010-2020):
+8.9%
Lane Miles of Roads:
203,899 mi

State Fuel Taxes

Gasoline:
$0.26/gallon*
Diesel:
$0.27/gallon*

*Does not include a $0.01/gallon special petroleum tax, and a $0.004/gallon environmental assurance fee.

State Vehicle Registration Fees

Passenger Vehicle Fee:
$26.50/year
Additional Plug-in Hybrid Fee:
$100/year
Additional Electric Vehicle Fee:
$200/year
Truck Registration Fee:
Based on gross vehicle weight

Financing

State Infrastructure Bank:
Yes, inactive
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
No
If different protocol used, Entity Determining Distribution:
State DOT

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	No	N/A
Property Tax	No	No	No	N/A
Tolls	No	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	Yes	Yes	Yes	City, County
Special Assessment District	No	No	No	N/A

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes [1]	City, County
Property Tax	No	Yes	County
Tolls	No	Yes	City, County
Vehicle Registration Fees	No	No	N/A
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	Yes	City, County
Special Assessment District	No	Yes	District

1. The local tax rate may not be higher than 2.75% and must be a multiple of .25.
* Municipalities, counties, or joint entities, including transit authorities, can issue bonds or notes for establishing public transportation systems.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs

Texas

The County Transportation Infrastructure Fund awards grants to eligible counties. This program requires a 20 percent local match, which is reduced to a 10 percent match for economically disadvantaged counties.

Demographics

Population:
29.15 million
% Population Change (2010-2020):
+15.9%
Lane Miles of Roads:
686,281 mi

State Fuel Taxes

Gasoline and Diesel:
$0.20/gallon*

*Does not include a petroleum delivery fee that varies by gallon.

State Vehicle Registration Fees

Passenger Vehicle Fee (<6,000 lbs):
$50.75/year
Passenger Vehicle Fee (>6,000 and <10,000 lbs):
$54/year
*Electric Vehicle Fee (<10,000 lbs):
$200/year- additional
Truck Registration Fee:
Based on gross vehicle weight**

*New electric vehicles are charged an additional $400 upon initial registration.
**Heavy trucks pay certain surcharges to support the Texas Emissions Reduction Plan Fund

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	Yes	Transportation Authority
Property Tax	No	No	No	N/A
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	Yes	Yes	County
Development Impact Fees	No	Yes[1]	Yes	City, County
Fuel Tax	No	No	No	N/A
Special Assessment District	No	No	No	N/A

[1] Subject to geographical restrictions.

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	Transit Authority, Transportation Authority
Property Tax	No	Yes	County, District, Precinct
Tolls	No	Yes	Regional and Local Entities
Vehicle Registration Fees	No	Yes	County
Development Impact Fees	No	Yes	County, Municipality, Local Entity
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	District

* Municipalities have the authority to issue bonds, backed by ad valorem taxes.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
Yes, there is an active pilot program.

Utah

Constitutional restrictions dictate fuel tax revenues must be used exclusively for road maintenance and construction, paying off related debt, driver education programs, and enforcing vehicle and traffic laws.

Demographics

Population:
3.27 million
% Population Change (2010-2020):
+18.4%
Lane Miles of Roads:
102,031 mi

State Fuel Taxes

Gasoline and Diesel:
$0.365/gallon*

*Does not include a $0.0065/gallon environmental assurance fee.

State Vehicle Registration Fees

Passenger Vehicle Fee (<12,000 lbs):
$44/year
Hybrid Fee:
$23.75/year
Plug-in Hybrid Fee:
$60.25/year

Electric Vehicle Fee:
$138.50/year
**Truck Registration Fee:
Based on gross vehicle weight

*Any other vehicle that is fueled by a source other than gasoline, diesel, natural gas, or propane.

**Vehicles weighing more than 12,000 pounds are assessed a uniform fee at a rate of 1.5 percent the vehicle's fair market value. Revenue is distributed to local entities.

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
Yes, $0.85 per $1

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
=55%
STBG allocations using federal computational tables? Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	Yes	Yes	City, County
Property Tax	No	No	No	N/A
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes	Yes	City, County, District

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	County, Municipality
Property Tax	No	No	N/A
Tolls	No	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	Yes	County, Municipality, Local Entity
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	District

* Local political subdivisions may issue negotiable bonds for various purposes, barring certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
Yes
Does the state have a Road Usage Charge pilot program?
No, the state has an active Road Usage Charge program.

Vermont

Vermont only has one discretionary grant program, the Town Highway Structures Program, which awards grants to towns for the maintenance and construction of bridges, culverts, and construction and reconstruction of a highway.

Demographics

Population:
643,077
% Population Change (2010-2020):
+2.8%
Lane Miles of Roads:
29,262 mi

State Fuel Taxes

Gasoline:
$0.316/gallon*
Diesel:
$0.34/gallon*
*Rates do not include a $0.01/gallon petroleum distributor licensing fee.

State Vehicle Registration Fees

*Passenger Vehicle Fee:
$91/year
Additional Plug-in Hybrid Fee:
$44.50/year
Additional Electric Vehicle Fee:
$89/year
*Truck Registration Fee:
Based on gross vehicle weight
**Diesel Fuel User's License:
$6.50/year
*Includes a $2 emissions fee; electric vehicles and hybrids are exempt.
**Only trucks that weigh 26,001 pounds or more and use diesel fuel are required to pay this fee.

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
No
If different protocol used, Entity Determining Distribution:
Other decision-making Entity

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	No	N/A
Property Tax	No	Yes	Yes	City, County, Transportation Authority
Tolls	No	No	No	N/A
Vehicle Registration Fees	Yes	No	No	N/A
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	Yes	Yes	District

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	Municipality, Regional Transit Authority
Tolls	No	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	Yes	Municipality
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes [1]	District

1. A municipality may vote at any regular or special meeting to merge with one or more other municipalities to create or join an assessment district for standardized property valuation.
* Municipal corporations may issue bonds with certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
Yes

Virginia

The registration fee for plug-in hybrid and alternative fuel vehicles is not set at a fixed amount. Rather, it is calculated as 85 percent of the difference between the average fuel taxes paid by a vehicle with a fuel efficiency rating of 23.7 miles per gallon, and the average fuel tax paid by the vehicle to be registered, over a year.

Demographics

Population:
8.63 million
% Population Change (2010-2020):
+7.9%
Lane Miles of Roads:
164,585 mi

State Fuel Taxes

Gasoline:
$0.262/gallon*
Diesel:
$0.27/gallon*
*Does not include a $0.006/gallon underground storage tank fee.

State Vehicle Registration Fees

Passenger Vehicle Fee:
$30.75-$35.75/year
Additional Electric Vehicle Fee:
$128.14/year
Additional Highway Use Fee*:Formula-based-additionalTruck Registration Fee:
Based on gross vehicle weight
*Paid by plug-in hybrid vehicles and alternative fuel vehicles; calculated annually as 85 percent of the difference between the average fuel taxes paid by a vehicle that gets 23.7 miles per gallon, and the average fuel taxes paid by the vehicle to be registered, in a year. E

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
Yes, $0.75 per $1

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions: =55%
STBG allocations using federal computational tables?
Yes,
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	Yes	No	No	N/A
Property Tax	No	Yes	Yes	City, County, District
Tolls	No	No	No	N/A
Vehicle Registration Fees	Yes	Yes[1]	Yes	City, County
Development Impact Fees	No	No	No	N/A
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	Yes	Yes	District

1. Subject to geographical restrictions.
Note: Localities require explicit state authorization for local option taxes.

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	District[1]
Property Tax	No	Yes	City, County, District, Town
Tolls	No	No	N/A
Vehicle Registration Fees	No	No	N/A
Development Impact Fees	No	Yes	Locality
Fuel Tax	No	Yes[2]	District
Special Assessment District	No	Yes	District

1. Virginia levies general sales and use taxes for the Northern Virginia, Hampton Roads, and Central Virginia planning districts.
2. Virginia levies regional fuel taxes for the Northern Virginia, Hampton Roads, and Central Virginia planning districts.
* Cities and localities may issue bonds, barring certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
Yes
Does the state have a Road Usage Charge pilot program?
No, the state has an active Road Usage Program

Washington

While not technically a registration fee, passenger vehicles are charged an additional fee based on gross vehicle weight at time of registration. Transportation benefit districts may impose annual vehicle fees and regional transportation investment districts may assess local option vehicle license fees.

Demographics

Population:
7.71 million
% Population Change (2010-2020):
+14.6%
Lane Miles of Roads:
168,271 mi

State Fuel Taxes

Gasoline and Diesel:
$0.494/gallon*

*Rate does not include four additional taxes: $0.00095/gallon oil spill administration tax, $0.00024/gallon oil spill response tax, a hazardous substance tax that is annually indexed to inflation, and a 0.15 percent petroleum products tax.

State Vehicle Registration Fees

Passenger Vehicle Fee:
$43.25/year*
Additional Plug-in Hybrid/Electric Vehicle Fee:
$150/year
Additional Transportation Electrification Fee**:
$75/year
Truck Registration Fee:
Based on gross vehicle weight

*Passenger vehicles are also charged a fee based on gross vehicle weight at time of registration, not included in this amount.

**Paid by electric, plug-in hybrid, hybrid, and alternative fuel vehicles.

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap: No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions: >55%
STBG allocations using federal computational tables? Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	Yes	City, County
Property Tax	No	Yes	Yes	County, District
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes	Yes	District

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	City, County
Property Tax	No	Yes	County, District
Tolls	No	Yes	District [1]
Vehicle Registration Fees	No	Yes	District
Development Impact Fees	No	Yes	District, Local Government
Fuel Tax	Yes	Yes [2]	County, City, District
Special Assessment District	No	Yes	District

1. Transportation benefit districts may impose tolls, although tolls on state routes must be authorized by the Legislature.
2. Counties, border area cities, and regional transportation investment districts may adopt local option fuel taxes for highway uses, limited to 2%.
* Cities, towns, and any county's legislative authority may issue bonds, barring certain restrictions.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No. HB 1832 is still under consideration in the state legislature.
Does the state have a Road Usage Charge pilot program?
Yes, the state has an active and completed pilot

West Virginia

Trucks used for interstate commerce that are registered under a proportional registration agreement are subject to an ad valorem fee. The fee is remitted to the state auditor, who distributes the proceeds to the counties and municipalities that have roads commonly used for interstate commerce within their borders.

Demographics

Population:
1.79 million
% Population Change (2010-2020):
-3.2%
Lane Miles of Roads:
80,176 mi

State Fuel Taxes

Gasoline and Diesel:
$0.357/gallon

State Vehicle Registration Fees

Passenger Vehicle Fee:
$51.50/year
Additional Hybrid Fee:
$100/year
Additional Electric/ Hydrogen/ Natural Gas Vehicle Fee:
$200/year
Truck Registration Fee:
Based on gross vehicle weight*

*Trucks used for interstate commerce are subject to an ad valorem fee; revenues are distributed to the counties and municipalities that have roads commonly used for interstate commerce within their borders.

Financing

State Infrastructure Bank:
Yes, not in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
>55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	No	N/A
Property Tax	No	No	No	N/A
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	Yes	Yes	County
Fuel Tax	No	No	No	N/A
Special Assessment District	No	No	No	N/A

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	N/A
Property Tax	No	Yes	County
Tolls	No	No	N/A
Vehicle Registration Fees	Yes	No	N/A
Development Impact Fees	No	Yes	County
Fuel Tax	Yes	No	N/A
Special Assessment District	No	No	N/A

* Counties, school districts, and municipalities are authorized to issue and sell bonds, subject to limitations and conditions imposed by the state.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, the state has no Road Usage Charge activity

Wisconsin

The Wisconsin Department of Transportation (WisDOT) collects local registration fees and subsequently allocates them to the appropriate municipality or county, after deducting an administrative fee.

Demographics

Population:
5.89 million
% Population Change (2010-2020):
+3.6%
Lane Miles of Roads:
239,526 mi

State Fuel Taxes

Gasoline and Diesel:
$0.039/gallon*
*Does not include a $0.02/gallon inspection fee on gasoline and diesel.

State Vehicle Registration Fees

Passenger Vehicle Fee:
$85/year*
Additional Hybrid Vehicle Fee:
$75/year
Additional Nonhybrid Electric Vehicle Fee:
$175/year
Truck Registration Fee:
Based on gross vehicle weight
Truck Tractor Fee:
$18/year
Hybrid Electric Truck Fee:
$75/year
Nonhybrid Electric Truck Fee:
$175/year
*Does not include any municipal or county vehicle registration fees ("wheel tax") that may also be assessed at the time of registration.

Financing

State Infrastructure Bank:
Yes, in use
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions: =55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes	Yes	County
Property Tax	No	No	No	N/A
Tolls	No	No	No	N/A
Vehicle Registration Fees	Yes	Yes	Yes	City, County
Development Impact Fees	No	Yes	Yes	City, County
Fuel Tax	Yes	No	No	N/A
Special Assessment District	No	Yes	Yes	City, County, District

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	Yes[1]	County
Property Tax	No	Yes [2]	County, Municipality
Tolls	No	No	N/A
Vehicle Registration Fees	No	Yes	County, Municipality
Development Impact Fees	No	Yes	Municipality
Fuel Tax	Yes	No	N/A
Special Assessment District	No	No	N/A

1. Counties have the authority to initiate a 0.5 percent add-on to the general sales tax for local expenditures, including transportation infrastructure.
2. State statute authorizes counties and municipalities to levy property taxes for roads and bridges, limited to two mills on the dollar.
* Municipalities are authorized to issue bonds, within strict borrowing parameters.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, the state has no Road Usage Charge program activity

Wyoming

Counties receive 2.5% of mineral severance tax revenues for road projects, based on population, county road miles, and property valuation.

Demographics

Population:
576,851
% Population Change (2010-2020):
+2.3%
Lane Miles of Roads:
62,575 mi

State Fuel Taxes

Gasoline and Diesel:
$0.24/gallon*

*Does not include an underground storage tank fee of $200/UST/year

State Vehicle Registration Fees

Passenger Vehicle Fee:
$30/year
Additional Plug-in Vehicle Fee:
$200/year
Non-Commercial Truck Registration Fee:
$5-$90/year
Commercial Truck Registration Fee:
Based on gross vehicle weight

Financing

State Infrastructure Bank:
No
Federal Fund-Swap:
No

Suballocation of Federal Funding

Percentage of STBG funds suballocated to regions:
<55%
STBG allocations using federal computational tables?
Yes
If different protocol used, Entity Determining Distribution:
N/A

Public Transportation Funding

	State Provided	Locally Authorized	In Use	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	No	N/A
Property Tax	No	Yes	Yes	Transportation Authority
Tolls	No	No	No	N/A
Vehicle Registration Fees	No	No	No	N/A
Development Impact Fees	No	No	No	N/A
Fuel Tax	No	No	No	N/A
Special Assessment District	No	Yes	Yes	County

Local Transportation Funding

	State Provided	Locally Authorized	If Local = "Yes": Authority to Levy/Collect
Sales Tax	No	No	City
Property Tax	No	Yes	County, Regional Transportation Authority
Tolls	No	No	N/A
Vehicle Registration Fees	No	No	N/A
Development Impact Fees	No	No	N/A
Fuel Tax	Yes	No	N/A
Special Assessment District	No	Yes	District

* Cities or towns are authorized to issue bonds; this debt does not count toward the city or town's debt limit.

Road Use Charge Program

Does the state have a Road Usage Charge program?
No
Does the state have a Road Usage Charge pilot program?
No, but the state is monitoring Road Usage Programs