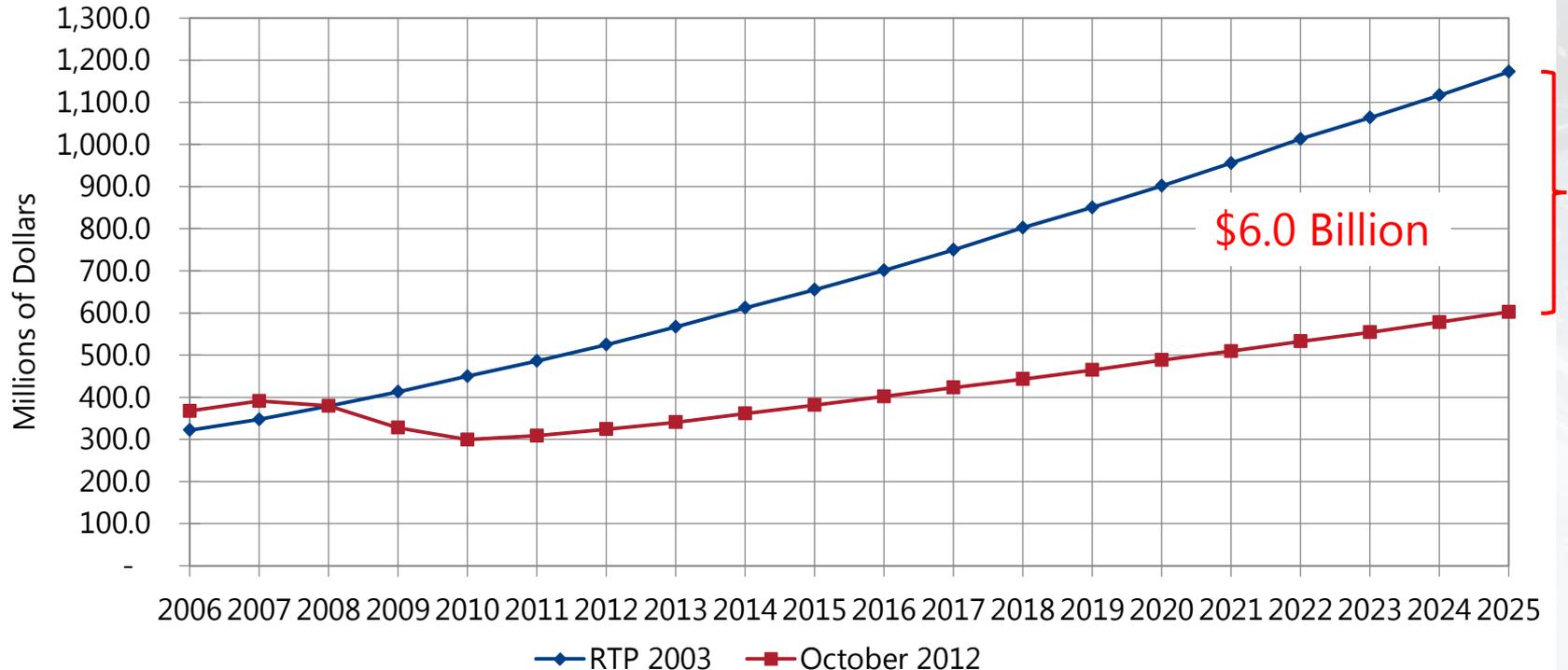


Transportation Funding Overview: Dealing with Change and Uncertainty

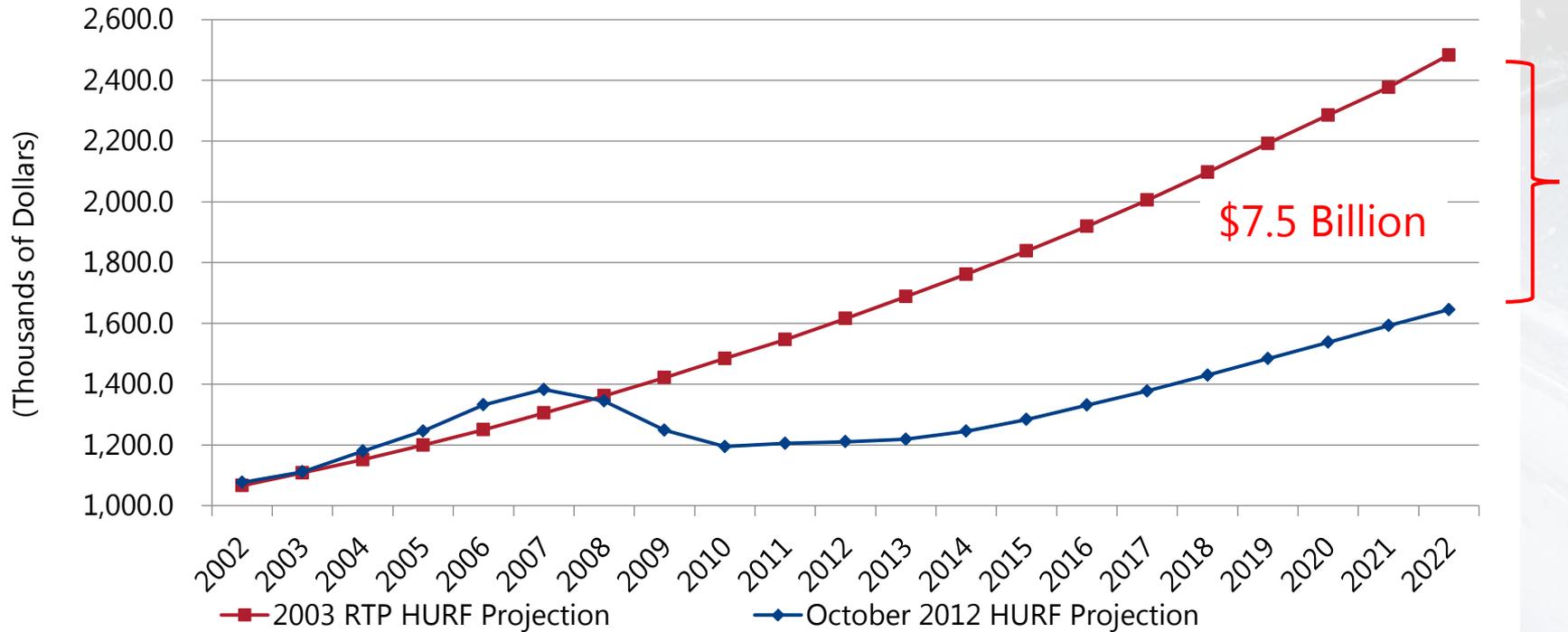
MAG Regional Council
May 1, 2013



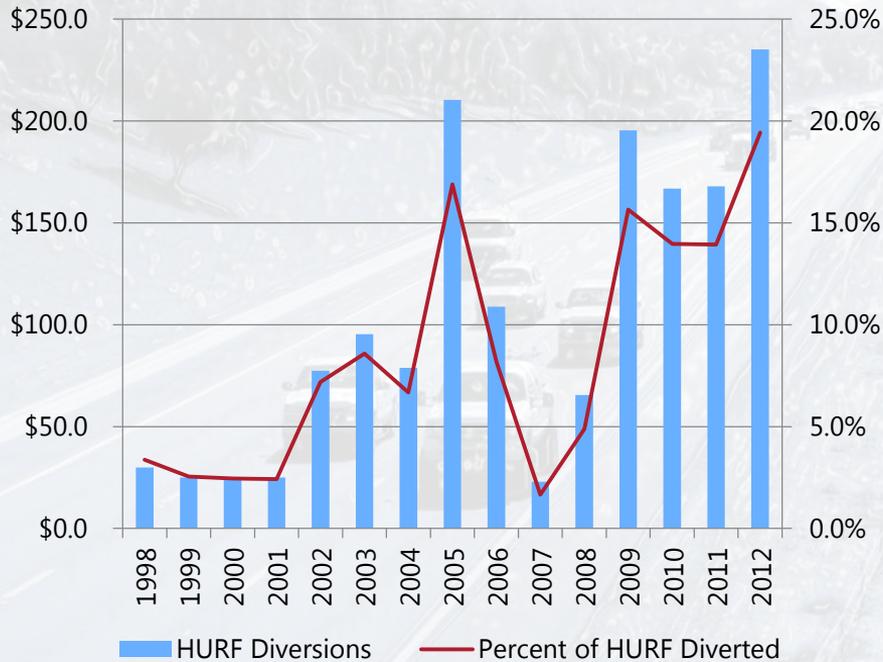
Comparison of 2003 RTP and Current Sales Tax Projections



Comparison of 2003 RTP and Current Highway User Revenue Fund Projections

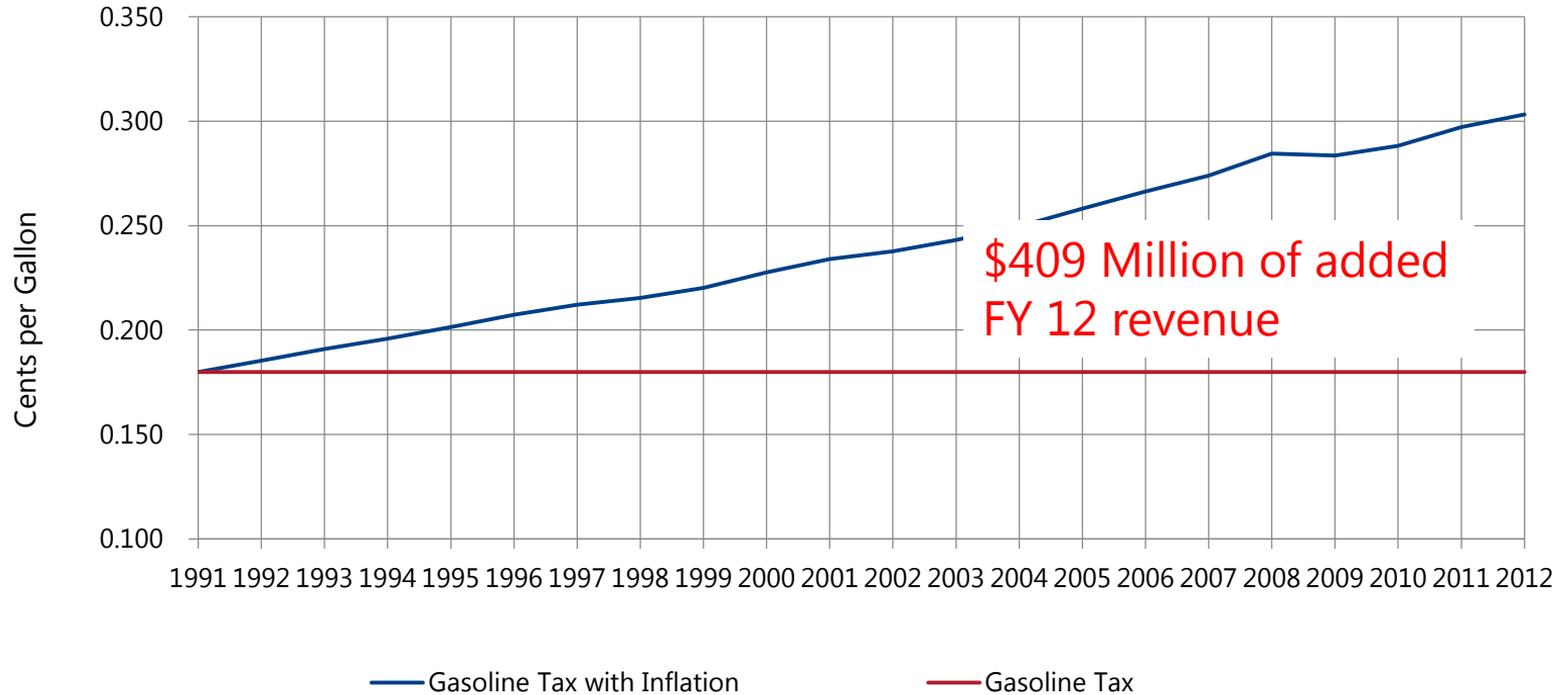


Threats to Highway User Funding

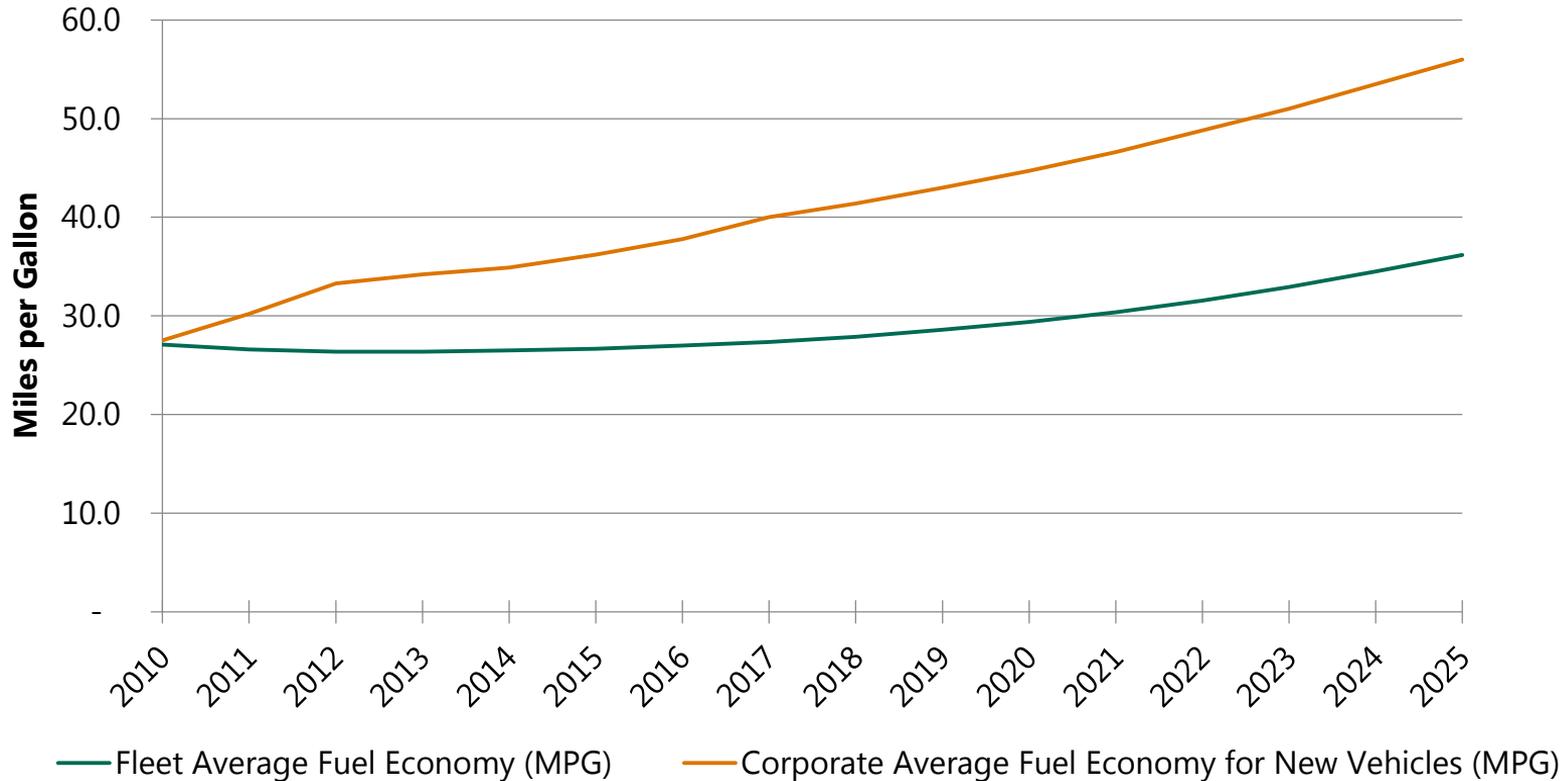


- Diversions
- Fixed tax per gallon – no inflation adjustment
- Fuel economy standards
- Conversion to alt fuels
 - Electric
 - CNG
- Reduced driving response to gas prices
- Reduced VLT growth

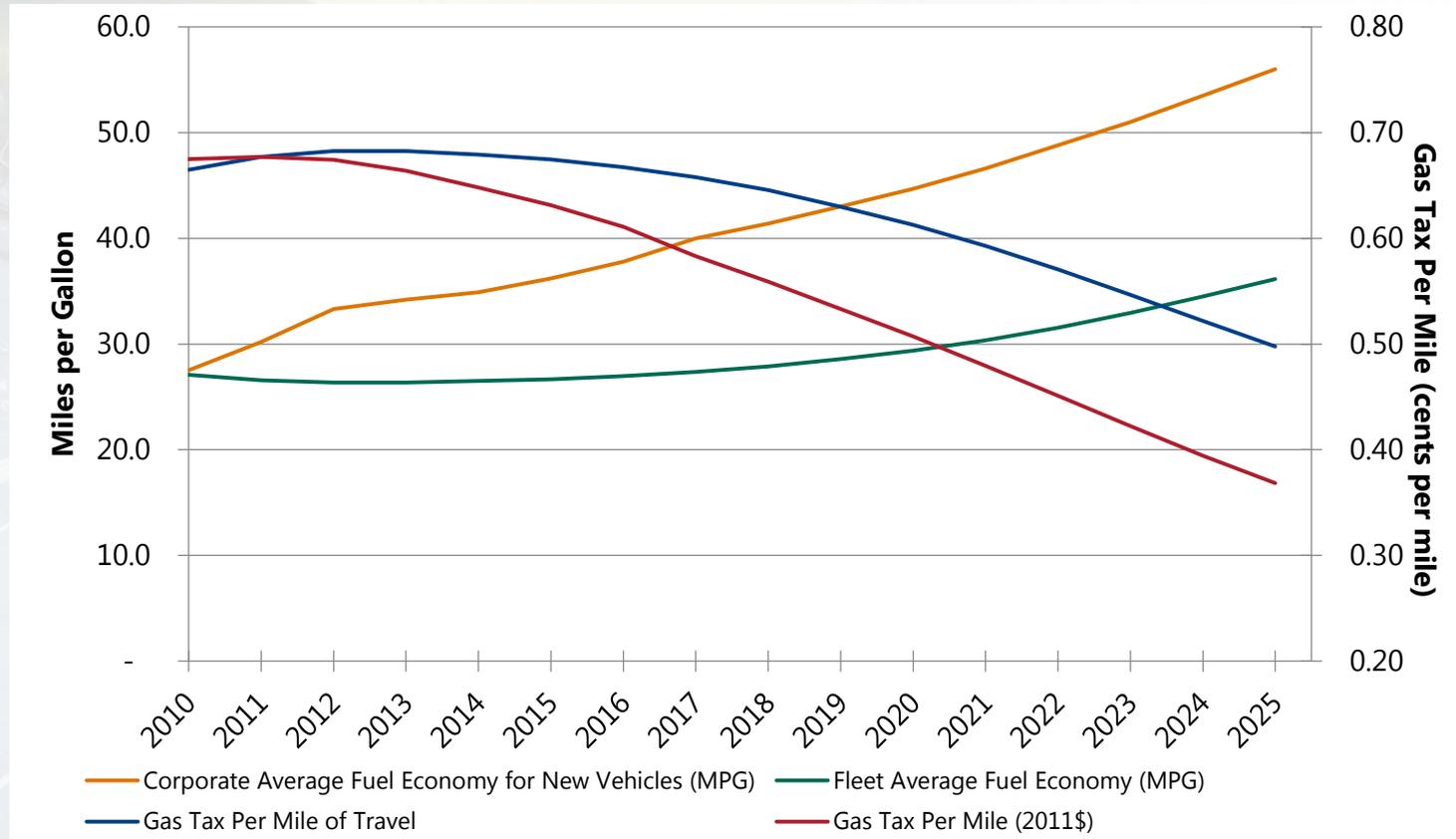
Inflation Indexed Fuel Tax



Increasing Fleet Fuel Economy Standards



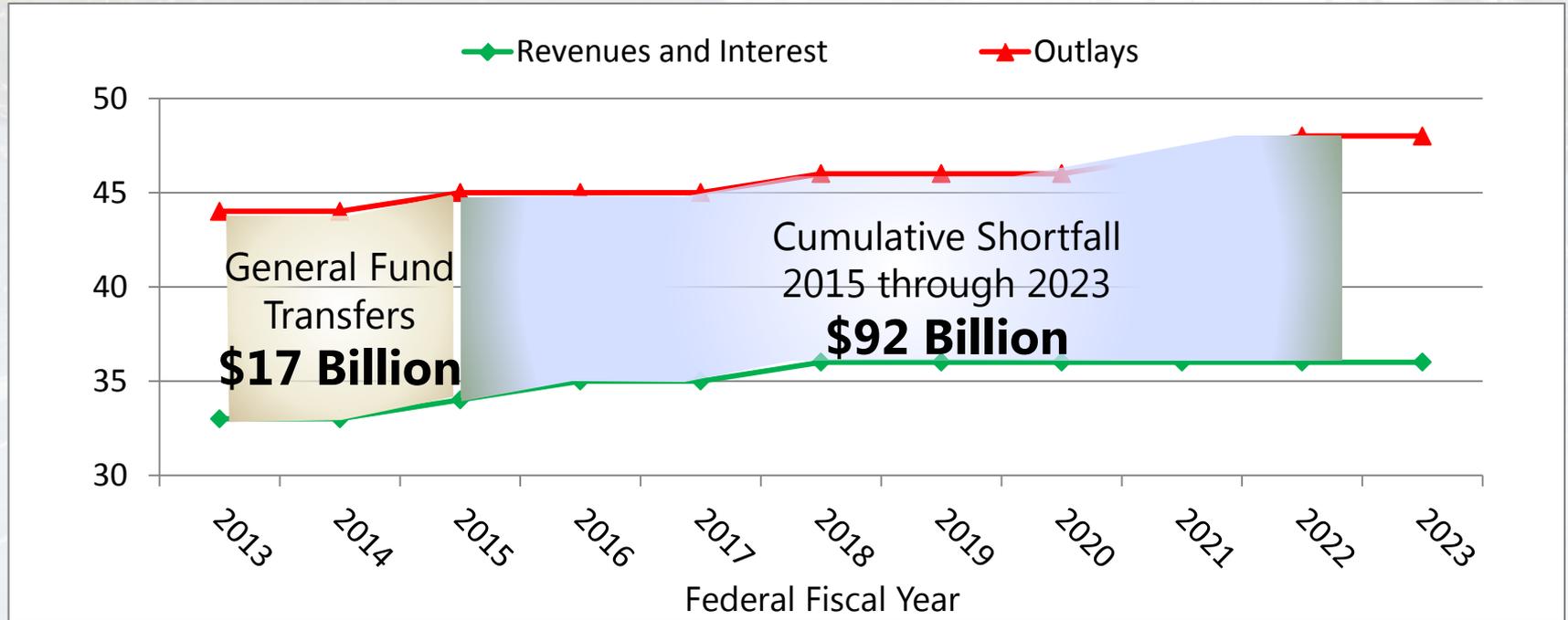
Impact of Fuel Economy Standards on Effective Gas Tax Rate - 25% reduction in revenue per mile of travel



How to Fix HURF.....

- **Immediate: STOP the diversions – return to statutory \$20 million**
- **Short-term: Raise the fuel tax and index for future inflation**
- **Long-term: Replace the fuel tax with alternative mechanism**

Federal Transportation Funding Outlook Bleak



Source: Congressional Budget Office, February 2013 Baseline

Transportation Funding Overview: Dealing with Change and Uncertainty

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