

Reauthorization Funding Options

2014
Fill Immediate Shortage

Shortfall: \$5-10 Billion
(Minimum)

Possible Rev Op3.01

2015-2020
Provide 6Year Funding Security to
Create Basis for Growth

Current spending + inflation: \$309 Billion
Shortfall: \$100 Billion

Proposed Revenue Options

Dedicate 15% Customs Duties/HS: \$6.72B
\$5 driver license fee*: \$ 7.06

Explanation of Shortfall and Revenue Options

Shortfall– The shortfall in 2014 and 20152020 represents the discrepancies between the revenue going into the HTF and the projected outlays of the trust fund assuming current funding levels plus inflationary increases. The Congressional Budget Office has stated that without Congressional action the HTF will be unable to meet all of its obligations in 2014 and will be unable to support any new projects in fiscal year 2015.

Revenue Options- TCC is proposing a combination of new and existing user fees currently being collected at the federal and state levels to fill the 6-year HTF shortfall and create a basis for future growth. States that are currently using various fees for transportation revenue include:

- x 48 States w/ Vehicle Registration, License or Title Fees
 - o CA, DC, GA – do not have any such fees
- x 37 States w/ Vehicle or Truck Weight Fees
 - o DE, DC, FL, GA, ID, IN, IA, MA, MI, NE, OK, PA, RI, SC, WV – do not have any such fees
- x 23 States w/ a Vehicle Sales Tax
 - o AK, AZ, CT, FL, HI, IL, KY, MD, MN, MO, MT, NE, NV, NJ, NM, NY, NC, ND, SD, UT, VA, VT, WV

Explanation of Revenue Options

(EXISTING) Customs Duties- Customs duties are imposed at varying rates on various imported goods passing through US international gateways and currently go to the General Fund of the US Treasury. A number of interest groups, such as the SAFETEA-LU policy commission have suggested that given the role transportation infrastructure plays in facilitating the import of goods, a portion of current customs duties should be allocated to support transportation investment.

(NEW) Drivers License Fee- The annual driver's license fee would be a federal surcharge on current state license fees. All states have a fee which in some cases simply covers the cost of administering the licensing programs. In many states however, license fees also are used as a source of transportation or other purposes. Currently 48 states have a registration fee and all but a handful use the proceeds for road improvement projects. This fee, as with others, should be indexed to CPI for inflation.

(NEW) Light duty tire tax- Similar to the existing heavy vehicle tire fee, this fee would apply to tires that do not exceed maximum