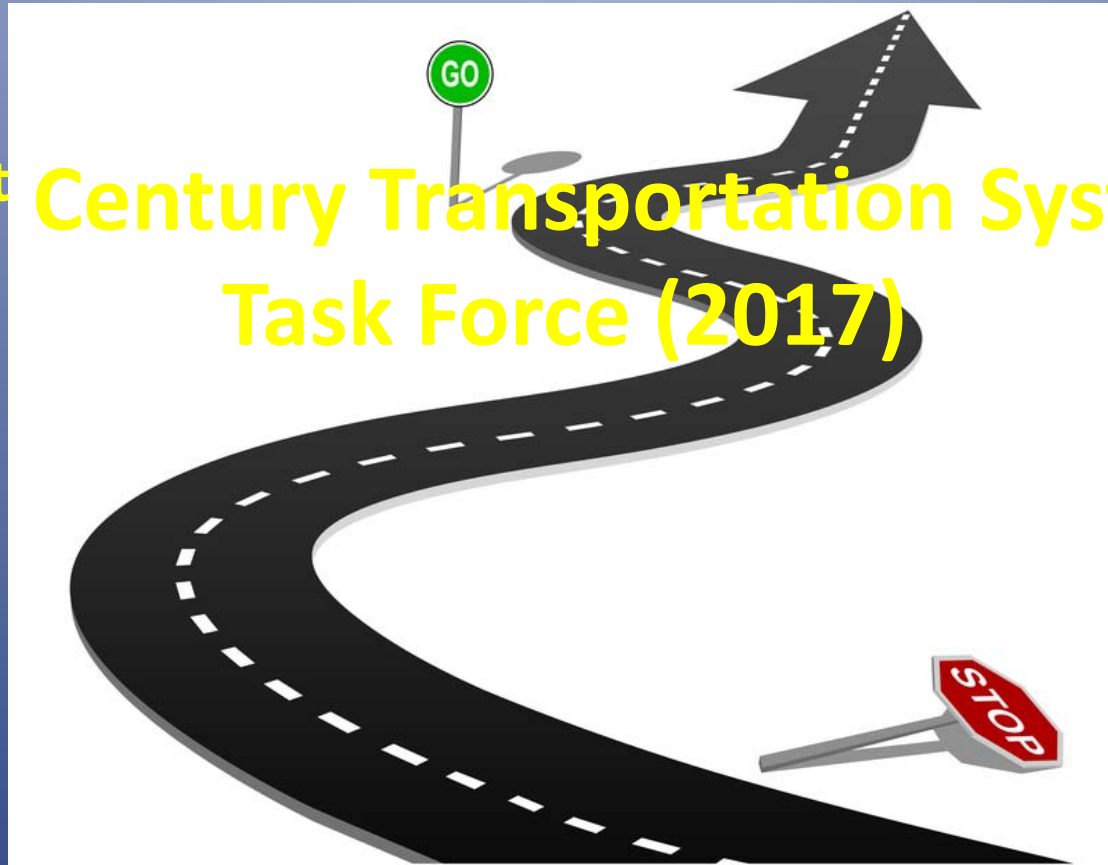


Moving Missouri Forward

21st Century Transportation System Task Force (2017)



State Representative Kevin Corlew, Chair

HCR 47

- ...the mission of the task force shall be to:
- (1) Evaluate the condition of our state transportation system, including roads and bridges;
- (2) Evaluate current transportation funding in Missouri;
- (3) Evaluate whether current transportation funding in Missouri is sufficient to not only maintain the transportation system in its current state but also to ensure that it serves the transportation needs of Missouri's citizens as we move forward in the 21st century;
- (4) Make recommendations regarding the condition of the state transportation system; and
- (5) Make recommendations regarding transportation funding.

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
House Concurrent Resolution No. 47
99TH GENERAL ASSEMBLY
2324H.02P D. ADAM CRUMBLESS, Chief Clerk

WHEREAS, Missouri's transportation system plays a vital part in the lives of Missouri's citizens. It is counted on to safely and reliably connect people with family, jobs and services, businesses with suppliers and customers, students with schools, and visitors with destinations; and

WHEREAS, among the states, Missouri has been a leader in transportation; the first interstate highway project in the United States to begin construction after the passage of the Federal-Aid Highway Act of 1956 was in Missouri; and

WHEREAS, there is a total of 33,884 miles of roadway within the state of Missouri, which makes the state highway system the nation's seventh largest state highway system. Missouri also ranks sixth nationally in the number of bridges with 10,394. These numbers do not include the city and county system of roads and bridges, which includes an additional 97,000 miles of county roads and city streets, and nearly 14,000 bridges; and

WHEREAS, Missouri's transportation infrastructure is aging; and

WHEREAS, the primary sources of revenue provided to the Missouri Department of Transportation to manage the state transportation system are user fees: fuel taxes, registration and licensing fees, and motor vehicle sales taxes; and

WHEREAS, when compared to other states, Missouri ranks 47th in the nation in revenue per mile:

NOW THEREFORE BE IT RESOLVED that the members of the Missouri House of Representatives, Ninety-ninth General Assembly, First Regular Session, the Senate concurring therein, hereby create the 21st Century Missouri Transportation System Task Force; and

BE IT FURTHER RESOLVED that the mission of the task force shall be to:

21st Century Missouri Transportation System Task Force Members

- Representative Kevin Corlew, Chair
- Senator Dave Schatz, Vice-Chair
- Senator Shalonn “Kiki” Curls
- Senator Bill Eigel
- Senator Jacob Hummel
- Representative Greg Razer
- Representative Bill Reiboldt
- Senator Caleb Rowden
- Representative Joe Runions
- Representative Nate Tate
- Governor Eric Greitens (Will Scharf, Policy Director)
- Director Patrick McKenna , MO Dep’t of Transportation
- Director Sandra Karsten, MO State Highway Patrol
- Director Rob Dixon, MO Dep’t of Economic Development
- Rudolph Farber
- Steve Halter
- David Hogan
- Gretchen Ivy
- Nathan McKean
- Gwen Moore
- Craig Porter
- Mayor Thomas Schneider, Florissant
- Dave Williams

21st Century Missouri Transportation System Task Force

2017 Meeting Dates/Places/Topics

June 28	Jefferson City	MODOT Overview (Director Patrick McKenna)
July 26	Kansas City	Overview of other states' activity (NCSL) Tolling
August 23	Springfield	Impact of Transportation Infrastructure on Business and Economic Development
September 20	Kirksville	Update on Federal Infrastructure Funding The Future of Transportation
October 11	Jefferson City	MODOT Distribution Formula Maximizing Federal-Dollar Opportunities
October 18	St. Louis	AASHTO presentation Road to Tomorrow (autonomous, connected, electric) Public Transit
November 8	Jefferson City	Highway Traffic Safety ; Working Meeting (no public testimony)
November 15	Cape Girardeau	State Highway Patrol; Multi-Modal; Road-Use Charges
December 13	Columbia	Working meeting; Public Testimony

Missouri Transportation System

- **State Highway System**

- 33, 884 miles of roadway (7th largest)
- 10, 394 bridges (nationally)

- **Multimodal**



- **State Highway Patrol**



Road and Bridge Conditions



Missouri Transportation

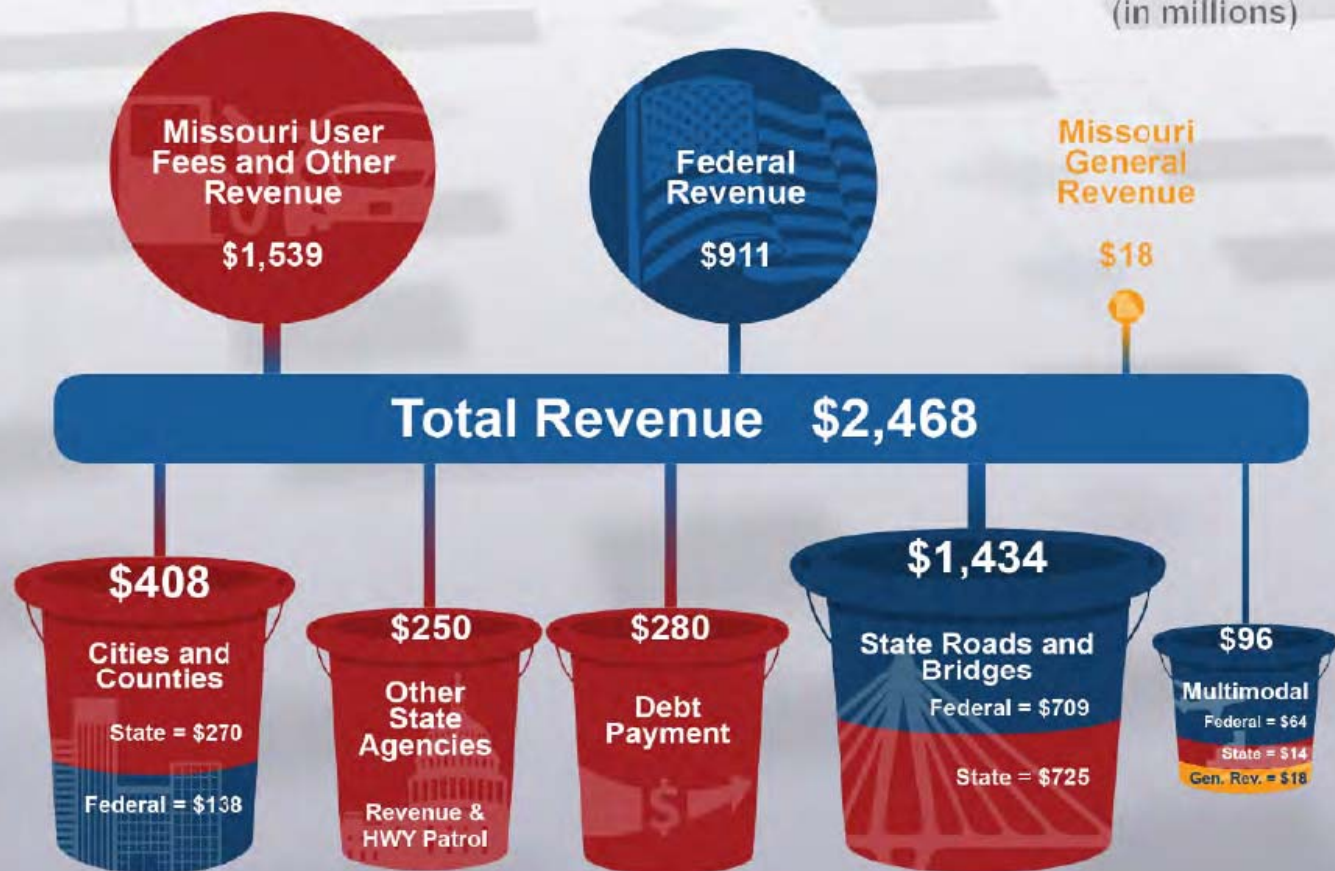


Source: MoDOT, *Citizen's Guide to Transportation Funding*

Missouri Transportation funding - Overview

MISSOURI TRANSPORTATION FUNDING

In 2016, nearly two-thirds of Missouri's transportation revenue came from state user fees and one-third from federal revenue. A small fraction of funds came from the state's income tax and general sales tax. The total revenue is distributed into five "buckets" of various transportation purposes as determined by state laws. Each bucket has a unique blend of state and federal revenue.



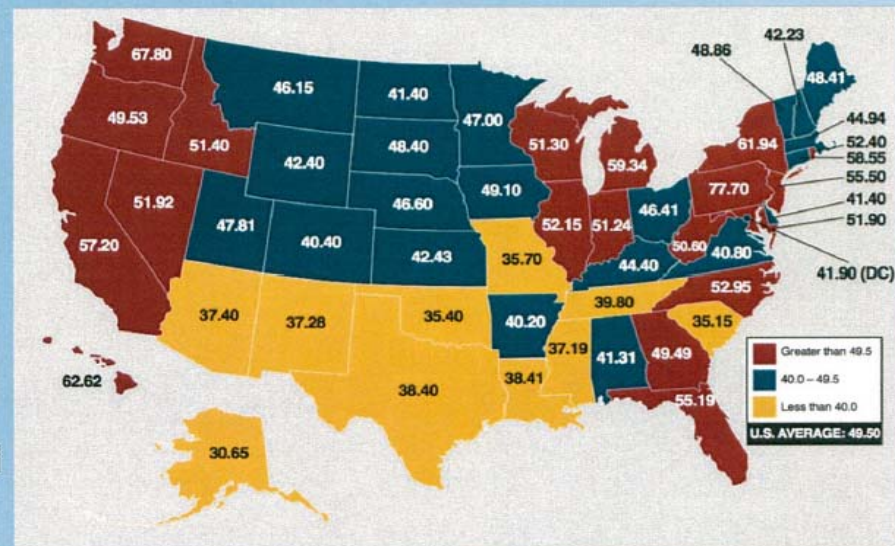
Source: MoDOT, *Citizen's Guide to Transportation Funding*

Missouri Lags Behind

Fuel Tax is Lagging Behind Needs

How does Missouri Compare?

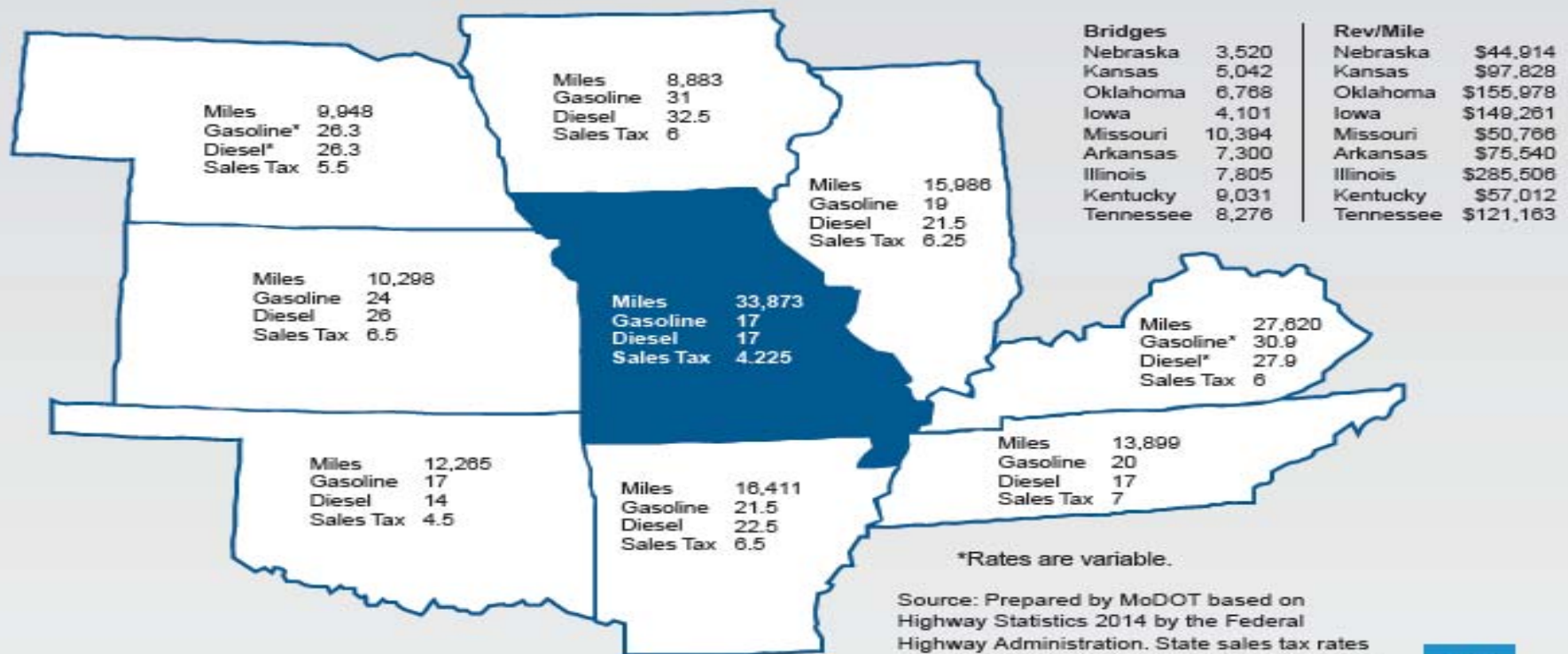
- Missouri relies primarily on fuel tax today
- 4th lowest fuel tax while maintaining 7th largest system
- Purchasing power of tax is constrained (17 cents worth 8 cents today)
- Missouri's fuel tax is not indexed with inflation
- An increase in fuel tax that adjusts with inflation would help support statewide transportation needs



Surrounding States

Missouri Lags Behind

Missouri has a lower fuel tax rate than almost any of its neighbors.
Yet it has a larger state-maintained highway system than any of them.



Gasoline and diesel fuel tax rates are shown in cents per gallon.
Miles are shown in center line miles of the state maintained highway system.

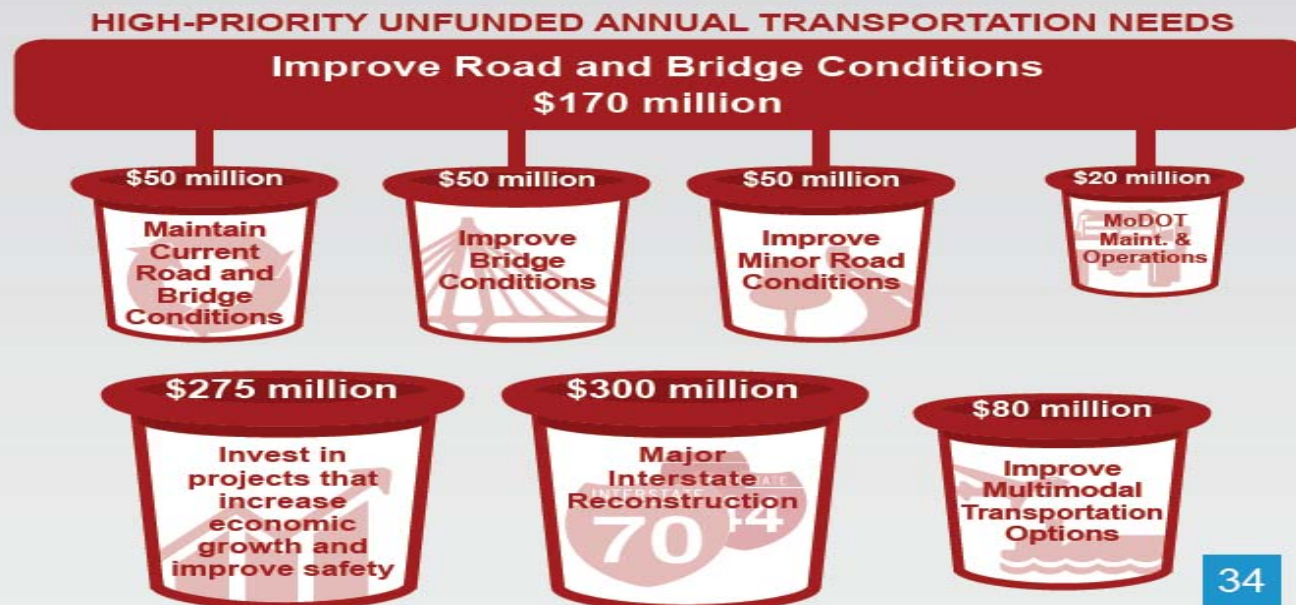
High-Priority Unfunded Transportation Needs

High-Priority Unfunded TRANSPORTATION NEEDS

What are Missouri's Transportation Needs?

When MoDOT completed its long-range transportation plan in 2014, extensive input from Missourians resulted in four goals for the state's transportation system over the next 20 years:

1. Take care of the transportation system and services we enjoy today.
2. Keep all travelers safe – no matter the mode of transportation.
3. Invest in projects that spur economic growth and create jobs.
4. Give Missourians better transportation choices.



Solutions for Greater Investment in Transportation Funding?

Various ideas have been raised to the task force:

- Motor Fuel Tax
- Sustainable funding; diversification of revenue
- Other User Fees
- Indexing
- Electric Vehicles
- Vehicle Miles Traveled (VMT)
- Sales Tax (voted down in 2014)
- Tolling
 - metro managed lanes
 - bridges
- Infrastructure bank/revolving fund
- Local control of non-federally-eligible roads
- State patrol funding (dedicated source; non-road fund)
- Transportation Development Districts
- Greater public-private partnership opportunities
- Internet sales tax
- Efficiency
- Maximize federal-dollar opportunities

Task Force Report

- January 1, 2018
- Comprehensive Report
 - Evaluation of current system and funding
 - Recommendations in 3 parts:
 1. Immediate-impact investment
 2. Sustainable and diversified revenue streams
 3. Other legislative action to improve transportation system
- Collaborate with Governor, Policymakers & Citizens

Recommendations to Achieve a 21st Century Transportation System

- Immediate-impact investment (Part 1)
- Long-term sustainability and diversification of revenue streams (Part 2)
- Legislative actions to improve transportation system, increase efficient project-delivery options, better leverage federal dollars, enhance highway safety, and encourage innovation (Part 3)



Immediate-Impact Investment

- Motor Fuels Tax Increase
 - Increase the state excise tax on gasoline by 10 cents and on diesel by 12 cents per gallon to a vote of the people to raise about \$430 annually to improve roads and bridges



Immediate-Impact Investment

- Implement a Dedicated Multimodal Revenue Stream
 - Investing in our multimodal transportation system by implementing a revenue stream of \$50-\$70 million annually would increase state competition as a world-class distribution network and provide better access to services and jobs to our citizens



Long-Term Sustainability and Diversification of Revenue Streams

- Electric Vehicle and Hybrid Vehicle
 - Double the registration fees for electric vehicles to \$150 for electric vehicles and \$75 for hybrid vehicles
- Increased Non-Fuel User Fees
 - A modest increase of 10% or greater for non-fuel transportation user fees to be used for transportation needs
- Indexing User Fees
 - Implementing an indexing system so that revenue raised reflects the current state of the economy and preserves the purchasing power of the money raised



Long-Term Sustainability and Diversification of Revenue Streams

- Motor Vehicle Registration Fee Schedule Revision
 - State vehicle registration fee schedule should be revised to be based on MPG instead of horsepower
- Internet Sales Tax Revenue for Transportation
 - A certain percentage of any collected internet sales tax should be designated to transportation purposes because as online retail purchases grow the state's transportation is burdened with delivery and distribution needs



Long-Term Sustainability and Diversification of Revenue Streams

- Express, Managed Lanes
- Major Bridge Tolling
- Mileage Based Road-User Charges
- Local Revenue Sources and Flexibility
 - State Infrastructure Bank
 - Local Construction Excise Tax



Legislative Actions

- Project delivery
 - Expanding flexibility in enabling state P3 legislation to increase efficiency in transportation and in completing transformative projects by leveraging private-sector investment and involvement
- Highway safety
 - Distracted driving
 - Primary seatbelt
- Innovation
 - Leverage innovation to help the state's economic competitive advantage and improve the quality of life by being open to business and innovation



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