Agenda

1. Welcome/Introductions
2. Questions
3. Revenue Scenario Discussion
4. Policy Recommendations Discussion
5. Megaprojects
6. Plan Implementation Discussion
7. Wrap Up/Next Steps
Revenue Scenario Discussion

- 4 Scenarios developed – 1B, 2B, 3B and 4B
- Funding allocation based on Needs, Goals and Objectives
- To be approved by Executive Council and Policy Committee
Revenue Scenario Discussion

Scenario 1B “Baseline”:
- Business as usual, no new revenues or adjustments.

Scenario 2B “Reduction”:
- Dramatic reduction in Federal funds (AASHTO, 2012), State funds remain unchanged.

Scenario 3B “Modest Increase”:
- Increase in Transportation Trust Fund due to State vehicle sales tax revenue infusion in 2020, Federal funds remain unchanged.

Scenario 4B “Aggressive Increase”:
- State vehicle sales tax revenue infusion in 2020 + increase in Federal funds in 2020.
Revenue Scenario Discussion

NEEDS = $47 Billion

Scenario 1B = $18.6 Billion
Scenario 2B = $16.1 Billion
Scenario 3B = $28.1 Billion
Scenario 4B = $35.1 Billion
### Revenue Scenario Discussion

<table>
<thead>
<tr>
<th>Mode</th>
<th>Scenario Revenue Levels [FY 2012 – 2044] Constant 2010 Dollars, in Billions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1B</td>
</tr>
<tr>
<td>Roadway &amp; Bridge</td>
<td>$15.6</td>
</tr>
<tr>
<td>Transit</td>
<td>$1.8</td>
</tr>
<tr>
<td>Port</td>
<td>$0.5</td>
</tr>
<tr>
<td>Aviation</td>
<td>$0.7</td>
</tr>
<tr>
<td>Rail</td>
<td>$0.0</td>
</tr>
<tr>
<td>Total (Billions)</td>
<td>$18.6</td>
</tr>
<tr>
<td>Annual Average (Billions)</td>
<td>$0.56</td>
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</tbody>
</table>
Scenario 1B – “Baseline” Allocation

- Highway Operations: 9.1%
- Highway Safety: 10.2%
- Highway Expansion: 4.5%
- Non-Transportation: 1.4%
- Non-Highway/Other Transportation: 16.1%
- Highway Preservation: 58.8%
Scenario 2B – “Reduction” Allocation

- Highway Operations: 10.0%
- Highway Safety: 9.3%
- Highway Expansion: 2.6%
- Non-Transportation: 1.6%
- Non-Highway/Other Transportation: 17.9%
- Highway Preservation: 58.6%
Scenario 3B – “Moderate Increase” Allocation

- Highway Operations: 6.8%
- Highway Safety: 7.0%
- Highway Expansion: 15.9%
- Non-Transportation: 0.9%
- Non-Highway/Other Transportation: 18.3%
- Highway Preservation: 51.1%
Scenario 4B – “Aggressive Increase” Allocation

- Highway Operations: 5.6%
- Highway Safety: 6.4%
- Highway Expansion: 20.4%
- Non-Transportation: 0.8%
- Non-Highway/Other Transportation: 14.8%
- Highway Preservation: 51.9%
Budget Line Items by AC

- 2012 Distribution
- Forecasted Revenue for FY 2022, 2032, and 2042
- Four Scenarios
- Line item descriptions
<table>
<thead>
<tr>
<th>Mode</th>
<th>Needs</th>
<th>1B – “Baseline” Revenues</th>
<th>Funding Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roadway &amp; Bridge</td>
<td>$28.2</td>
<td>$15.6</td>
<td>$12.6</td>
</tr>
<tr>
<td>Transit</td>
<td>$7.2</td>
<td>$1.8</td>
<td>$5.4</td>
</tr>
<tr>
<td>Freight &amp; Passenger Rail</td>
<td>$2.0</td>
<td>$0.0</td>
<td>$2.0</td>
</tr>
<tr>
<td>Ports &amp; Waterways</td>
<td>$7.1</td>
<td>$0.5</td>
<td>$6.6</td>
</tr>
<tr>
<td>Aviation</td>
<td>$2.6</td>
<td>$0.7</td>
<td>$1.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$47.1</td>
<td>$18.6</td>
<td>$28.5</td>
</tr>
</tbody>
</table>
Funding Options

**General Sales Tax:** Replace the 20-cents-per-gallon motor fuel tax with an increase in the statewide sales tax on all items subject to the current Louisiana sales tax.

**Motor Fuels Sales Tax:** Convert the 20-cents-per-gallon gasoline tax to a statewide percentage sales tax applied to the value of the motor fuel purchased (or add a smaller sales tax).

**VMT Fee:** Assess a mileage-based, direct user fee to all driving on all roads.

**Local Options:** Local funding options such as local motor fuel taxes, local vehicle registration fees, property taxes, local option sales taxes, and local income taxes.

**Advanced Transportation District:** Regional tax districts which may be established to fund transportation projects.

**Tolling:** Fees directly imposed to utilize a specific facility.

**Indexing Motor Fuel Taxes:** Ties motor fuel taxes to an inflation index (e.g., Cost of Living Index, Consumer Price Index) allowing revenues to grow without legislative action.

**Project Specific Tax:** A sales or motor fuels tax for a specified period to cover the cost of one or more projects (e.g., TIMED Program).

**Registration Fees:** Increase vehicle registration fees.

**Violation Surcharge:** A surcharge on certain traffic violations in addition to normal court-inflicted penalties with proceeds allocated to specific public programs (e.g., transportation).
# Funding Options Evaluation

<table>
<thead>
<tr>
<th>Funding Option</th>
<th>Potential Yield</th>
<th>Sustainability</th>
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</thead>
<tbody>
<tr>
<td>General Sales Tax</td>
<td>Moderate</td>
<td>High</td>
</tr>
<tr>
<td>Motor Fuels Sales Tax (% of Value)</td>
<td>Moderate</td>
<td>High</td>
</tr>
<tr>
<td>VMT Fee</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Local Options</td>
<td>Moderate</td>
<td>Moderate</td>
</tr>
<tr>
<td>Advanced Transportation District</td>
<td>Low</td>
<td>Moderate</td>
</tr>
<tr>
<td>Tolling</td>
<td>Moderate</td>
<td>Moderate</td>
</tr>
<tr>
<td>Indexing</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Project Specific Tax</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Registration Fees</td>
<td>Moderate</td>
<td>Moderate</td>
</tr>
<tr>
<td>Violation Surcharge</td>
<td>Moderate</td>
<td>High</td>
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</tbody>
</table>

Source: CDM Smith, 2013
Revenue Scenario Activity

• Divide into 2 groups
• Review funding scenarios – choose most realistic scenario
• Discuss funding allocation and budgeted line items for chosen scenario
  – Would you re-allocate it? How?
• Review funding options to “fill the gap” – which ones do you think can be accomplished?
• Do you have other funding ideas?
• Report back to the group
Policy Recommendations

• Updated from October 2013 AC Meeting comments
• Organized by Goal area
• Added revenue scenarios
• Added budgeted line item if applicable
• Added cost category assumptions
Policy Recommendations

• Confirm ratings
• Confirm that the list of policies is complete
• Consider additional policy “topics”
## Ports & Waterways Megaprojects, ($Millions)

<table>
<thead>
<tr>
<th>Name</th>
<th>Limits</th>
<th>Priority</th>
<th>Total Cost</th>
<th>$ from DOTD</th>
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</thead>
<tbody>
<tr>
<td>MS River</td>
<td>MS River/Coastal Access Channels</td>
<td>A</td>
<td>$300</td>
<td>$0</td>
</tr>
<tr>
<td>Port of New Orleans</td>
<td>Port of New Orleans (Complete Napoleon Avenue Container Terminal Phase II &amp; III)</td>
<td>A</td>
<td>$550</td>
<td>$100</td>
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<tr>
<td>LA 1 South</td>
<td>Golden Meadow to Leeville (Phase 2)</td>
<td>B</td>
<td>$320</td>
<td>$250</td>
</tr>
<tr>
<td>LA 1 South</td>
<td>Port Fourchon to US 90 (Phase 1)</td>
<td>D</td>
<td>$1,300</td>
<td>$0</td>
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</tbody>
</table>
Plan Implementation Discussion

• What are the key items DOTD should focus on to implement the Statewide Transportation Plan?
• How should this plan be measured for success?
• How should DOTD and its partners (you) use this plan?
Wrap Up/Next Steps

• Megaprojects – Executive Council/Policy Committee Approval
• Policy Recommendations – Executive Council/Policy Committee Approval
• Draft Final Plan – Spring 2014
  – Advisory Council Review
• Final Plan – Summer 2014