

Legislative Initiatives: Q&A

**Question:** VMT fees seemed like they were going to be a thing but none of the recent moves by states appear to have included anything on this front. Is VMT losing momentum and do you expect it to return in future years?

**Answer:** (Norma Ortega) California has done a 9 month pilot study of VMT fees which just concluded at the end of March. They are working on a report to the legislature and governor. The study of VMT options compliments the work done in the most recent funding package. There are still a number of issues to be addressed, and CalTrans doesn't expect it to be implementable in the next 5-6 years. However, long-term there will be a need to find alternative revenues mechanisms and examine the sustainability of the gas tax.

(Ed Soliday) Indiana does permit it under their toll road study, but it's politically not a popular issue. There are concerns about the cost and complexity of collection. The state is looking at tolling to fill the gap in revenue in the near and medium term as motor fuel tax yields decline.

(John Schroer) Tennessee doesn't allow tolling at this point. There's not much conversation about VMT at this time.

**Question:** What impact does autonomous vehicle technology have on transportation funding in the near and medium term?

**Answer:** (Ed Soliday) Funding issues are likely to be much more immediate than the widespread introduction of autonomous vehicle. Road damage will be the same regardless of who is driving.

(Norma Ortega) California also doesn't expect them to hit for quite a while. Some studies have indicated that VMT is likely to grow. It's an issue California is keeping an eye on.

(John Schroer) Tennessee just passed an autonomous vehicle and platooning bill. They are expecting that at some point there will be a demand of separated lanes for autonomous vehicles and platooning trucks. Since autonomous vehicles are likely to be all electric the issue highlights the need for fuel tax alternatives.

**Question:** For Ms. Ortega: You mentioned that the DOT is supposed to create \$ 100 M in cost savings. How do you get to that number?

**Answer:** (Norma Ortega) CalTrans is looking at potential efficiencies in project timing and contracting to create the expected cost savings.

**Question:** For California: Do the proceeds from the State's Cap and Trade also supplement the State's transportation program?

**Answer:** (Norma Ortega) Yes. California has a transit program that is funded from Cap and Trade and receipts also providing funding for high speed rail.

**Question:** Are there any requirements for meeting safety standards when the funding is provided to projects?

**Answer:** (Norma Ortega) In California, safety projects are prioritized. They've also committed to pavement, bridge, culvert, etc. improvements that contribute to safety outcomes.

(John Schroer) Safety projects also take priority in Tennessee. It was not specifically addressed in the bill because safety and maintenance projects are funded before any new capacity.

(Ed Soliday) In Indiana, their new project prioritization model will weight safety heavily.

**Question:** What was the catalyst for your revenue package?

**Answer:** (Ed Soliday) Indiana used a data driven approach to take stock of where they were and where they wanted to go. The results of that analysis were a major motivating factor.

(Norma Ortega) In 2011, California did a needs assessment and identified their funding gap. Other studies showed the impact of deferred maintenance. Potential delay of programmed projects due to funding constraints was final factor that motivated action.

(John Schroer) In Tennessee, they also created a needs based program which addressed maintenance first. However, they say the increasing share of funding that had to be devoted to maintenance eroded the state's ability to fund new projects, and contributed to widespread understanding that additional funding was needed.