

Louisiana Statewide Transportation Plan Update



Ports and Waterways Advisory Council
Meeting – Round Three
Baton Rouge, LA

January 23, 2014

**CDM
Smith**

Agenda

Welcome/Introductions

Questions

Revenue Scenario Discussion

Policy Recommendations Discussion

Megaprojects

Plan Implementation Discussion

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

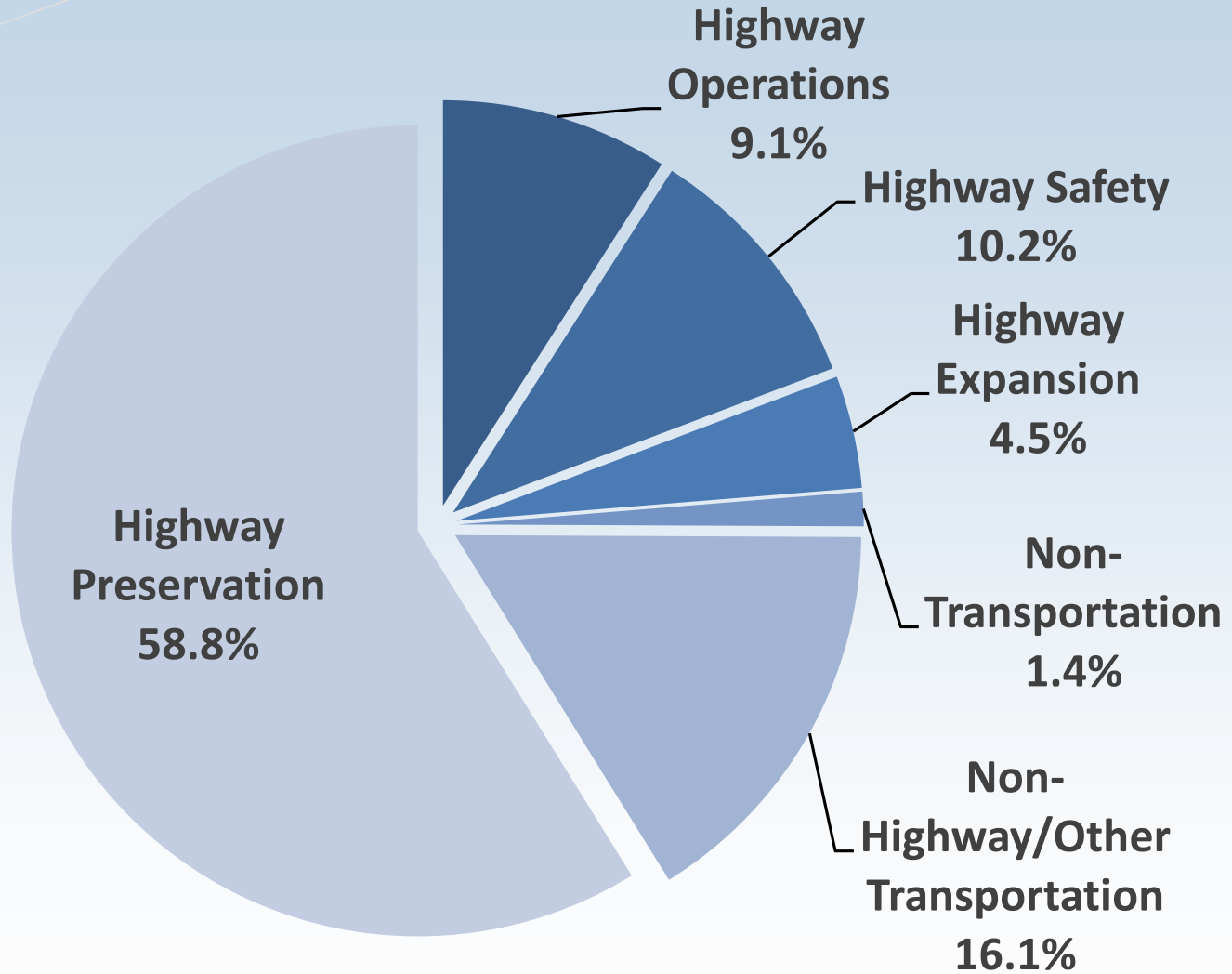
Scenario 4B = \$35.1 Billion



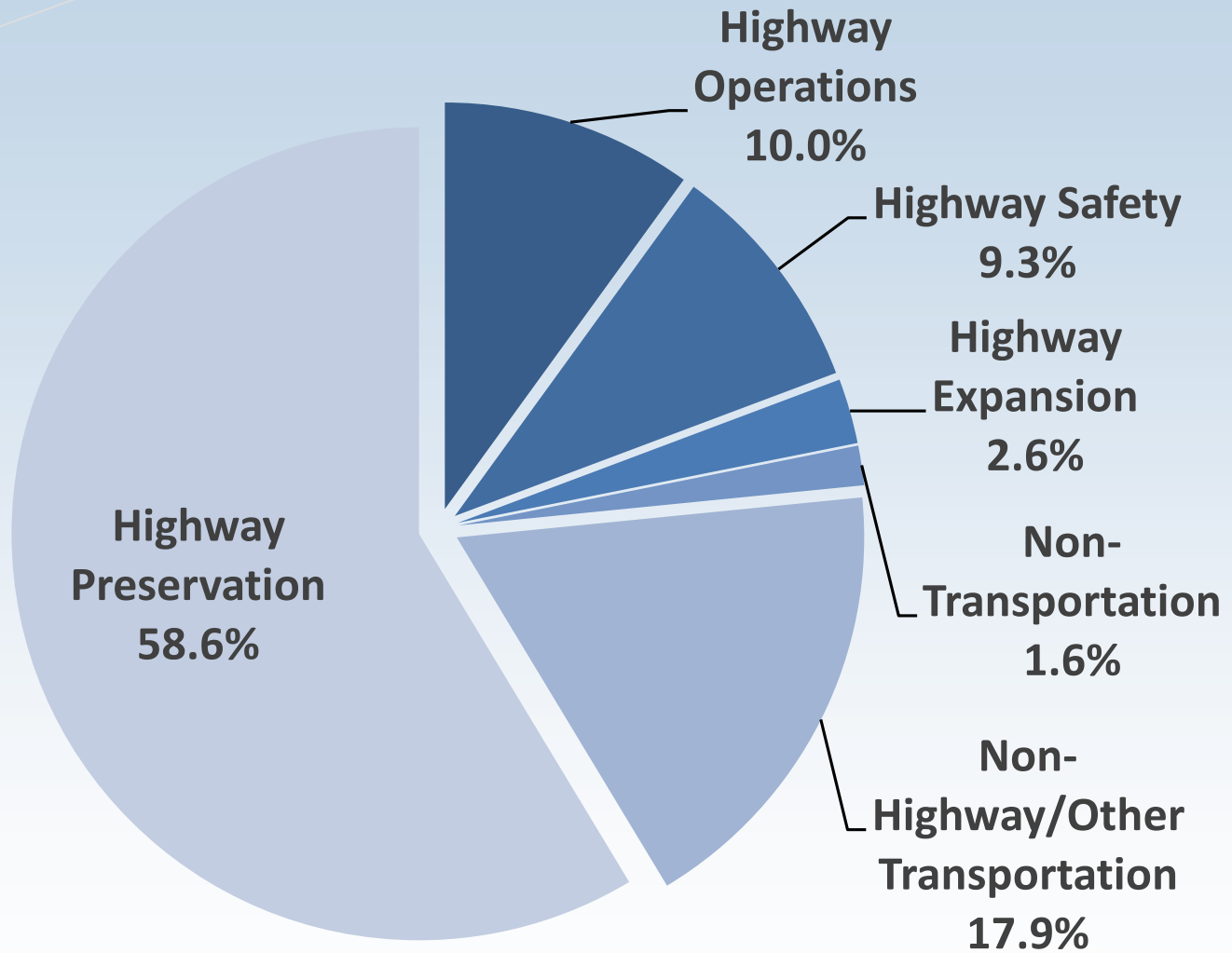
Revenue Scenario Discussion

Mode	Scenario Revenue Levels [FY 2012 – 2044] Constant 2010 Dollars, in Billions			
	1B	2B	3B	4B
Roadway & Bridge	\$15.6	\$13.4	\$24.5	\$31.0
Transit	\$1.8	\$1.5	\$1.8	\$2.3
Port	\$0.5	\$0.5	\$1.0	\$1.1
Aviation	\$0.7	\$0.7	\$0.7	\$0.7
Rail	\$0.0	\$0.0	\$0.1	\$0.1
Total (Billions)	\$18.6	\$16.1	\$28.1	\$35.1
Annual Average (Billions)	\$0.56	\$0.49	\$0.85	\$1.06

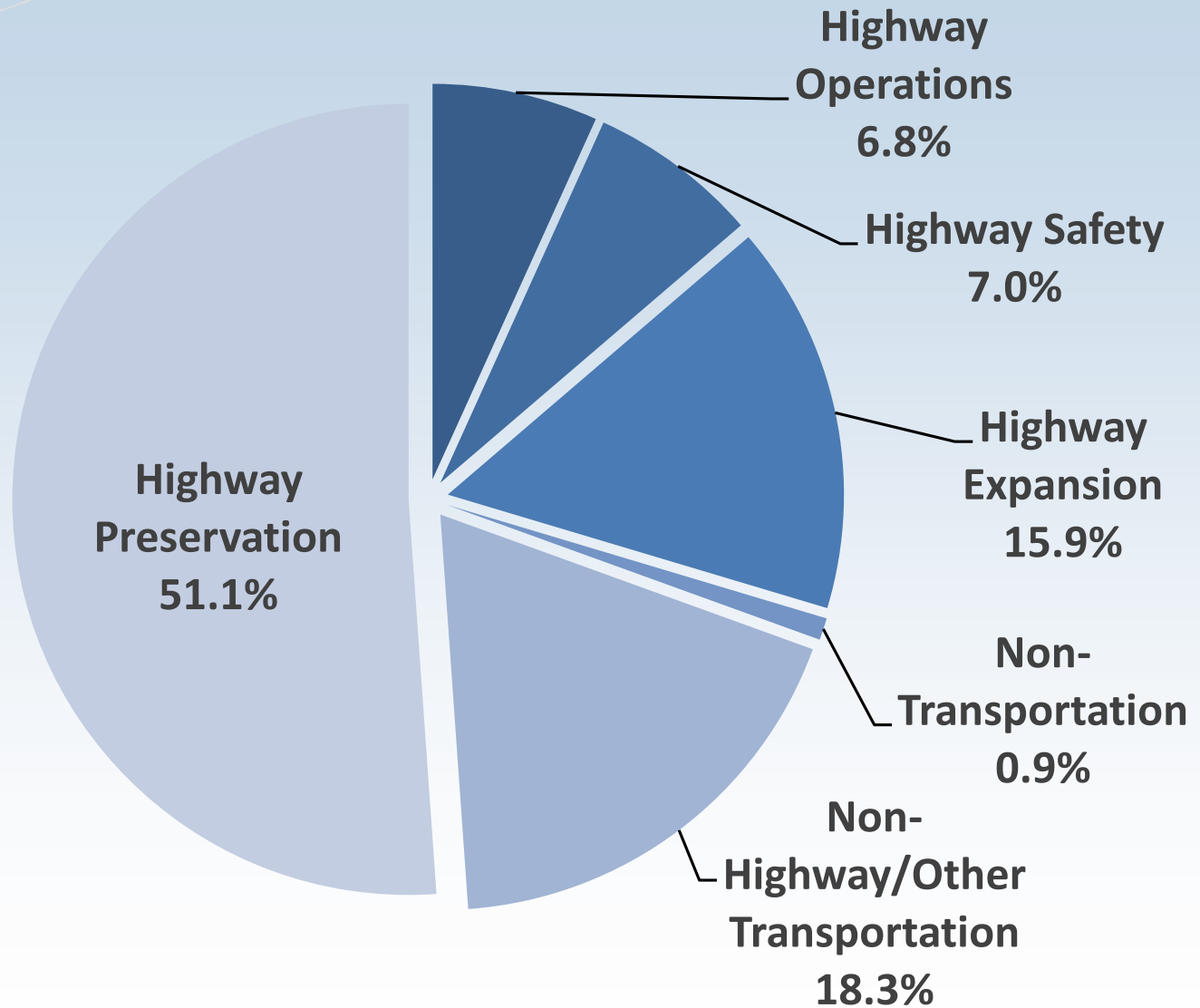
Scenario 1B – “Baseline” Allocation



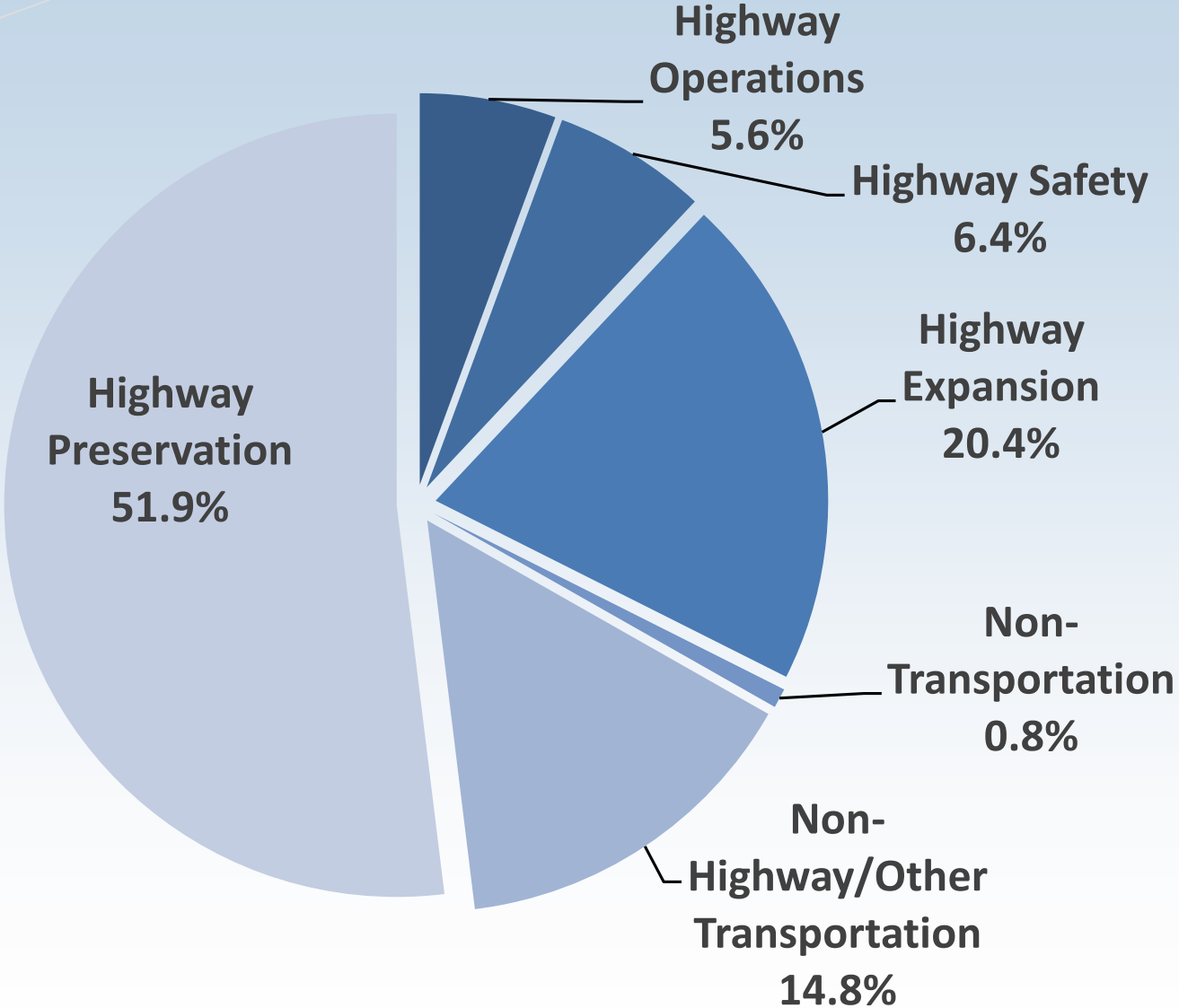
Scenario 2B – “Reduction” Allocation



Scenario 3B – “Moderate Increase” Allocation



Scenario 4B – “Aggressive Increase” Allocation



Budget Line Items by AC

- 2012 Distribution
- Forecasted Revenue for FY 2022, 2032, and 2042
- Four Scenarios
- Line item descriptions

Funding Gap

Needs versus Revenue [FY 2012-2044] = Funding Gap, in Billions

Mode	Needs	1B – “Baseline” Revenues	Funding Gap
Roadway & Bridge	\$28.2	\$15.6	\$12.6
Transit	\$7.2	\$1.8	\$5.4
Freight & Passenger Rail	\$2.0	\$0.0	\$2.0
Ports & Waterways	\$7.1	\$0.5	\$6.6
Aviation	\$2.6	\$0.7	\$1.9
Total	\$47.1	\$18.6	\$28.5

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 (eg. 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 (eg. 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 (eg. transportation).

Funding Options Evaluation

Funding Option	Potential Yield	Sustainability
General Sales Tax	Moderate	High
Motor Fuels Sales Tax (% of Value)	Moderate	High
VMT Fee	High	High
Local Options	Moderate	Moderate
Advanced Transportation District	Low	Moderate
Tolling	Moderate	Moderate
Indexing	High	High
Project Specific Tax	Low	Low
Registration Fees	Moderate	Moderate
Violation Surcharge	Moderate	High

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)

Name	Limits	Priority	Total Cost	\$ from DOTD
MS River	MS River/Coastal Access Channels	A	\$300	\$0
Port of New Orleans	Port of New Orleans (Complete Napoleon Avenue Container Terminal Phase II & III)	A	\$550	\$100
LA 1 South	Golden Meadow to Leeville (Phase 2)	B	\$320	\$250
LA 1 South	Port Fourchon to US 90 (Phase 1)	D	\$1,300	\$0

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

Thank you!



<http://www.dotd.la.gov/study/>



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