

# Louisiana Statewide Transportation Plan Update



Regional Planning Officials  
State Highway Operations & Maintenance  
Joint Advisory Council Meeting – Round  
Three  
*Baton Rouge, LA*

January 22, 2014

**CDM  
Smith**

# Agenda

Asset Management Plan

Megaprojects

Revenue Scenario Discussion

Recommendation Prioritization Discussion

Plan Implementation Discussion

Wrap Up/Next Steps

# Asset Management Plan

- MAP-21 = Maximize the long-term performance of infrastructure
  - Moves away from short-term fixes towards cyclical, regular maintenance
- TAMP
  - Ongoing performance gap assessments, lifecycle cost considerations, and risk management assessments
- DOTD Actions
  - Document policies and processes for allocating funds to preserve and maintain the existing highway system.
  - Determine how current plans relate to asset management plan
  - Describe implementation steps
  - Develop institutional process for implementing, coordinating, etc

# Megaprojects

- Review changes to priorities

# 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 = \$18.60 Billion

Scenario 2B = \$16.1 Billion

Scenario 3B = \$28.1 Billion

Scenario 4B = \$35.1 Billion

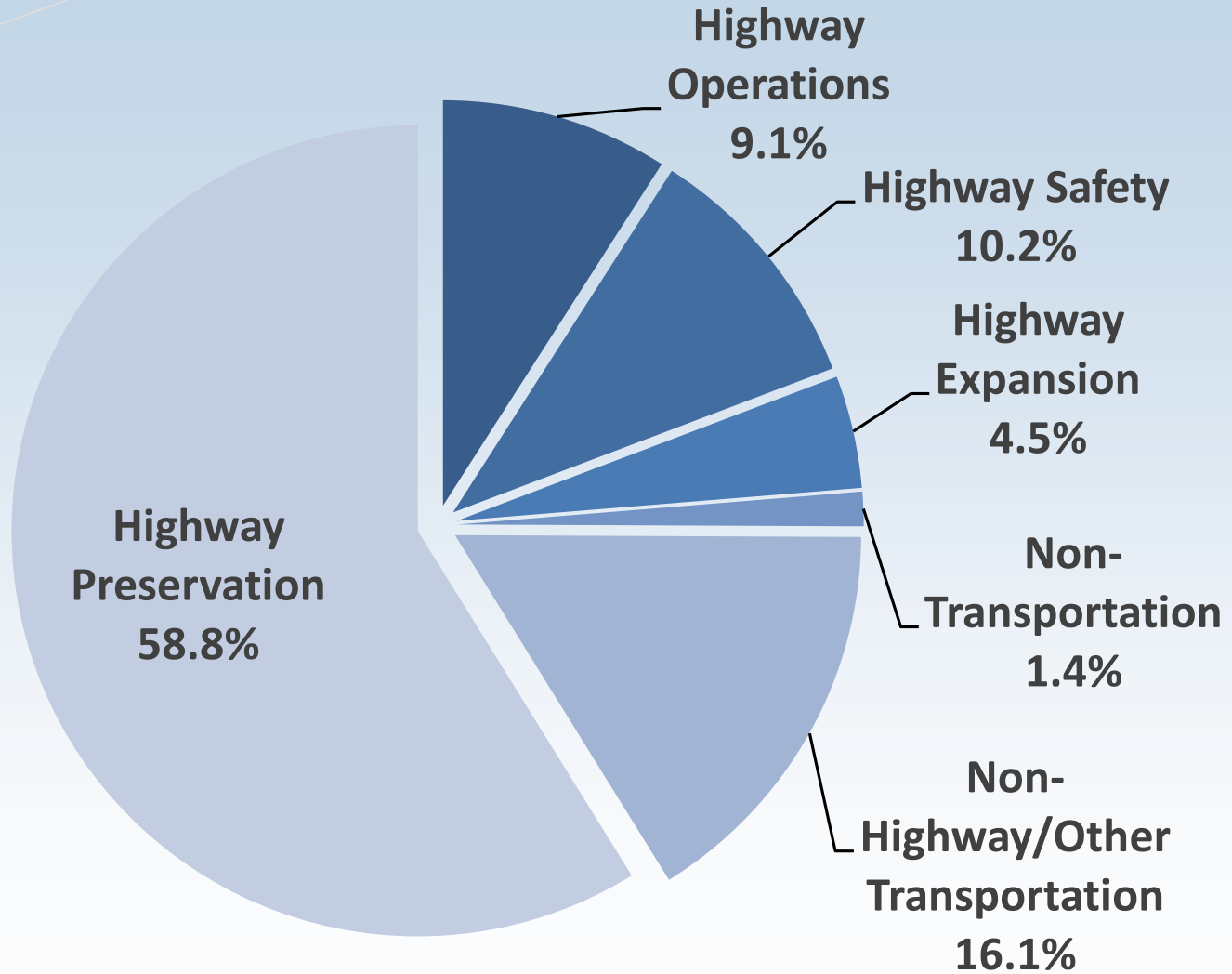


# Revenue Scenario Discussion

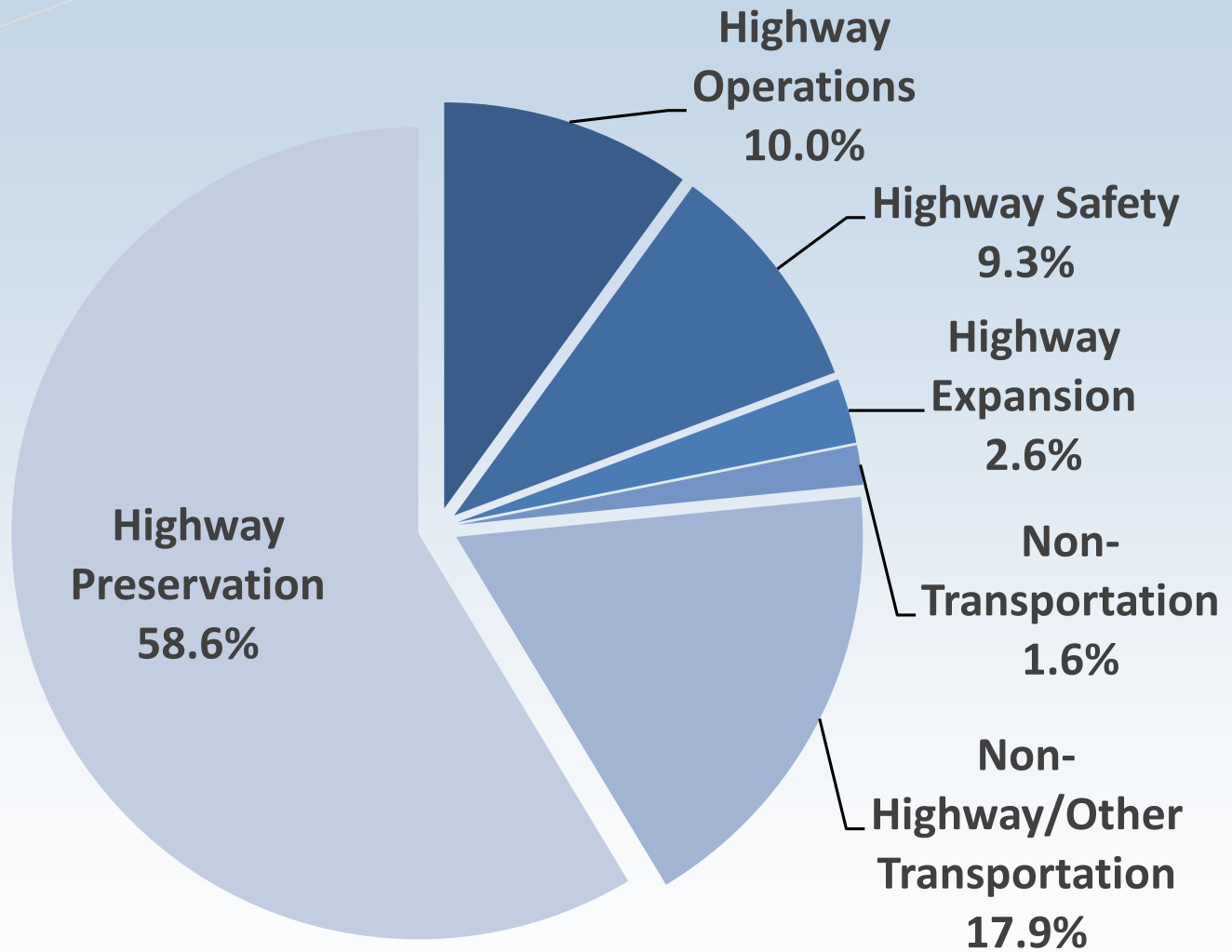
Mode	Scenario Revenue Levels [FY 2012 – 2044] Constant 2010 Dollars, in Billions			
	1B	2B	3B	4B
Roadway & Bridge	\$15.6	\$13.4	\$24.5	\$31.0
Transit	\$1.8	\$1.5	\$1.8	\$2.3
Port	\$0.4	\$0.4	\$1.0	\$1.1
Aviation	\$0.7	\$0.7	\$0.7	\$0.7
Rail	\$0.0	\$0.0	\$0.1	\$0.1
<b>Total (Billions)</b>	<b>\$18.5</b>	<b>\$16.1</b>	<b>\$28.1</b>	<b>\$35.1</b>
<b>Annual Average (Billions)</b>	<b>\$0.56</b>	<b>\$0.49</b>	<b>\$0.85</b>	<b>\$1.06</b>



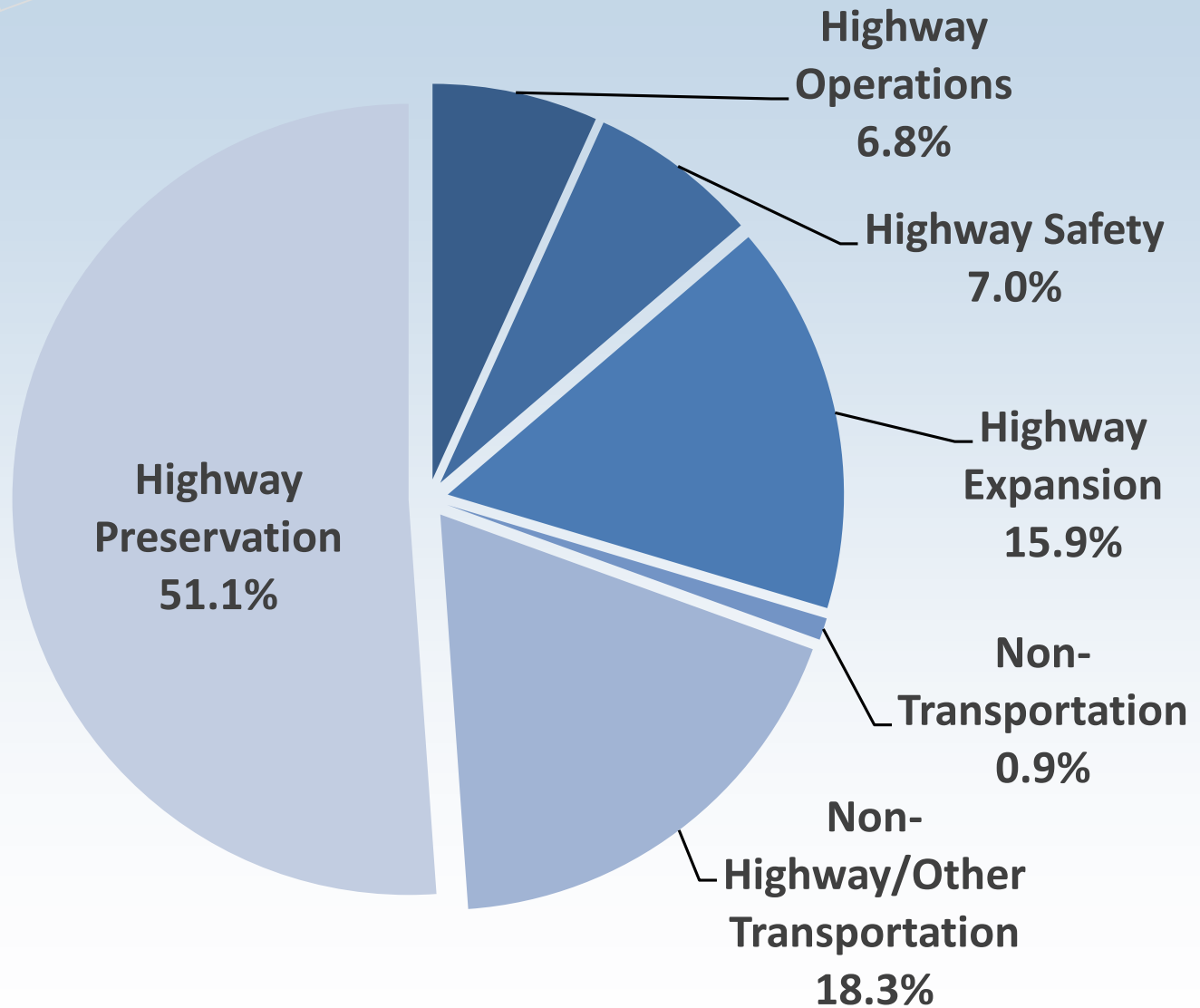
# Scenario 1B – “Baseline” Allocation



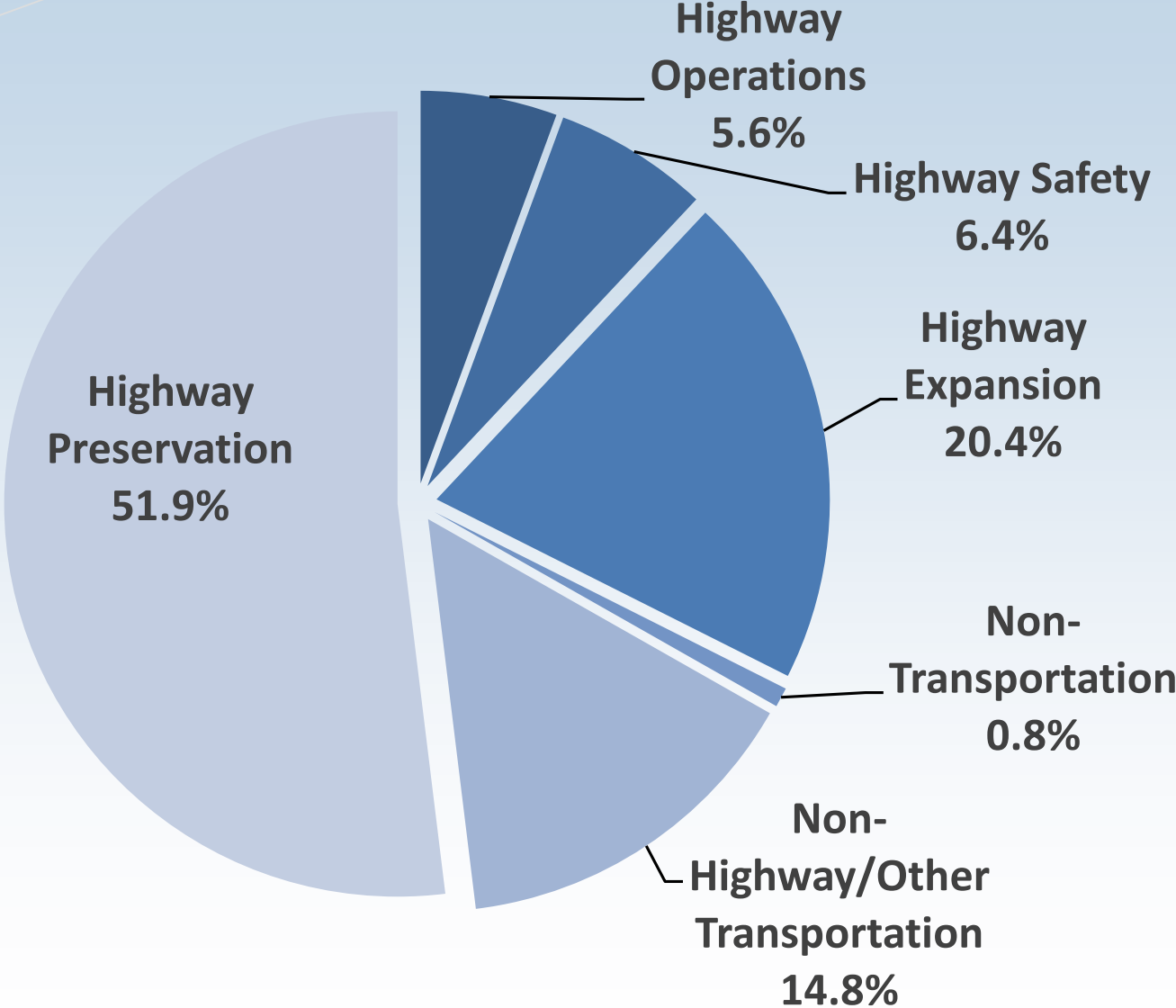
# Scenario 2B – “Reduction” Allocation



# 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
<b>Total</b>	<b>\$47.1</b>	<b>\$18.6</b>	<b>\$28.5</b>

# 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”

# 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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