Statewide Transportation System Needs Assessment Revenue Options Worksheet

Proposed Revenue Sources	(Total Yield) Potential Net Annual Funds Generated ($M)	(Total Yield) Potential Net Ten-Year Funds Generated to Address Net Shortfall of $295.7 Billion	Assumptions	Authority or Responsibility for Implementation? (Federal, State, Regional)	Existing or New Funding Mechanism	Requirements for Implementation? (High, Moderate, Low)	Period for Implementation (Short Term - less than 2 Yrs; Mid Term 2 Yrs +; Long Term 5+)	Sustainability (Long-Term Viability) Long Term or Moderate or Short Term	Application	Description of Policy, Legislative or Other Action Required	Publications Addressing Proposal (See Narratives)	Notes
PRIORITY REVENUE OPTIONS												
Gas Tax Increase and/or Indexing Tied to Inflation	$147,000,000	$1,470,000,000	1-cent gas tax increase without inflation index; 65% State & 35% Local	State	Change to existing	Low	Short Term with long term adjustments based on inflation research	Long Term if indexed to inflation	State - gasoline consumers	Research to support increased level of gas tax & inflation index. State legislation required for implementation	LAO, Mineta Transportation Institute, National Surface Transportation Policy & Revenue Commission, Caltrans	
Gasoline Sales Tax Reinstatement of Six Percent	$2,500,000,000	$31,932,000,000	Reinstate 6% sales tax on gasoline based on current consumption distributed pre-tax swap	State	New	High - Requires 2/3 Legislative Majority Vote	Short Term	Short Term	State - gasoline consumers	State Legislature approval required	US Energy Information Administration; CA BOE; AB 105 - 2011; 2012 Governor's Budget; CA Constitution Article 19	Gasoline sales tax reinstatement could result in cancellation of current excise tax ($900 million annually to the SHA) & would not fund rehabilitation programs.
Diesel Sales Tax Increase of One Percent	$150,000,000	$1,145,000,000	Increase sales tax on diesel by 1% based on current consumption & projected diesel fuel prices	State	Increase Existing	High - Requires 2/3 Legislative Majority Vote	Short Term	Short Term	State - diesel consumers	State Legislature approval required	US Energy Information Administration; CA BOE; AB 105 - 2011; 2012 Governor's Budget; CA Constitution Article 19	Would not fund rehabilitation of current roadways.
Vehicle Miles Traveled (VMT) Fee - Regular & Heavy Duty	$3,230,000,000	$32,300,000,000	Mileage fee of approx. 1-cent/mile replaces fuel based excise tax & would increase/decrease	Federal/State	New	High	Long Term	Long Term	Federal/ State - Applied to motorists	Federal or State Legislation to assess fee or tax.	CBO; MTI; CT State; NSTIFC	
55% Local Sales Tax Voter Threshold	$ 570,000,000	$ 5,700,000,000	1/2-cent sales tax; vehicle license fee; property tax increase	State/ Regional/ Local	Change to Existing Threshold	High	Short Term	Long Term	County - Public	State Constitution Amendment Required or Voter Approval to lower 2/3 requirement to 55%	UCTC; Metro; DMV; Self Help Counties	
Transportation User Fee	3,000,000,000	30,000,000,000	New User Fee Introduced at 1% of Registered Vehicles	State	New or Change to Existing Threshold	High	Short Term	Long Term	State/Local-Vehicle Owners	New User Fee: 2/3 statewide voter approval; Restructured Fee: 2/3 legislative approval for constitutional amendment		
HOT Lanes	$1,134,000,000	$11,340,000,000	System management includes public transit operational subsidies	State and Regional	Existing	High	Long term	Long Term	Regional - applied to motorists	Toll policy from CTFA; Federal approval from FHWA; Regional tolling policy; Approval of MPO for HOV conversion under MAP-21; Renew or extend SBx24		

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OTHER FEDERAL / STATE REVENUE OPTIONS												
Airport Passenger Facility Charge (PFC) Increase	$200,000,000	$20,000,000,000	Assume $2.50 increase in allowable PFC imposed by all airports above existing $4.50 cap on PFCs.	Federally-authorized, but locally imposed, implemented and collected	Existing - $2.50 increase to existing PFC $4.50 cap per enplaned passenger	High - Congressional action required with FAA reauthorization. Implementation costs are low.	Long - federal legislation extends until September 2015; Not likely until next reauthorization of FAA legislation.	Long Term	Locally Implemented. Fee applied by CA airports to passengers	Requires congressional approval through federal legislation.	FAA & Airports Council International - North America	Support: Airports Council International - North America, American Association of Airport Executives, California Airports Council. Oppose: Airline trade groups including Airlines for America
Aviation Fuel Excise Tax Increase	$0	$0	No Change to Existing $.02/ gallon excise tax on GA jet fuel and $.18/ gallon excise tax on GA AVGAS	State	Existing	High	Long	Decreasing sustainability vis-à-vis annual yield	State imposed excise tax - Applied to aircraft operators.	Firewall existing revenue stream from general fund raid attempts - requires analysis as to why yield continues to decrease	CTC TACA Reports; Caltrans Reports	Recommend no increase in existing revenues. Instead recommend firewall to safeguard existing revenue stream from general fund diversion.
Heavy Duty Vehicle Fees	$90,000,000	$ 900,000,000	Increase the current fees by 10%	State and DMV	Existing	Low, but contingent on the fact if the revenue can be redirected back to system preservation from bond debt service	Short term for time increase or long term to do multiple increases up to a target	Long Term	State - Applied to registers of commercial vehicles & some trailers	Need legislation to change existing legislation which directs the fees to pay bond debt service	DMV; Caltrans	Need to initially discover if there is a will and want to change existing legislation.
New Bicycle Tax	$9,500,000	$95,000,000	1% tax on new bicycles & accessory purchases.	State	New	Medium/High. Low Administration Costs.	Short Term	Moderate	State/ Regional/ Local - Applied to Consumer & used for bike system expansion & preservation	State Legislation - 1% new bicycle tax	National Bike Dealers Association, US Census, States of Oregon, Wisconsin, Hawaii, & Georgia.	
Parcel Taxes (for transportation uses)	$470,000,000	$47,000,000,000	$50/parcel assessment locally and/or statewide	State and/or Local	New	High	Long Term	Long Term	Local/State - applied to parcel owner	2/3 State/Local Voter Approval Required	AC Transit; BART	Uses of funds could vary depending on need & ordinance at time of voter approval
Parking: Correct Disabled Placard Abuse & Recover Lost Revenue	$410,504,000	$4,105,040,000	High based on placard abuse	Local	New	Low/Moderate	Short Term	Long-Term	Option 1: users pay for curbside parking; Option 2: neediest users park free.	State Legislation to allow locals to charge for disabled parking & use revenues for disabled transportation needs	Shoup 2011; Williams 2010; LA Times 2011; State of Michigan	
Tire Tax / Oil Change Fee	$ 450,000,000	$5,000,000,000	Midpoint revenue generation. Focus mainly on system preservation	State or Regional	Existing.	Moderate. Regional implementation may require state legislation.	Long Term if legislation needed.	Moderate Term if fixed fee; long term if variable fee based on price of tires	State or Regional.	State legislation to increase statewide fees and to allow regions to impose fees.	BOE	
Vehicle Registration Fee	$3,000,000,000	30,000,000,000	New $50 to $100 VRF - Assumed $100	State/Local	Existing	Low for Counties with VRFs under existing minimums - Otherwise High	Short Term for existing VRFs/ Long Term for new VRFs	Long Term	State/Local - Applied annually to vehicle owners	State legislation to amend SB 83 for expanded authority. New Legislation to for new & expanded VRFs.		

OTHER LOCAL / REGIONAL REVENUE OPTIONS												
Benefit Assessment District			Project costs assessed within boundaries of designated benefit area of county or city. Tie financing of project to beneficiaries.	Local	Existing where local approval & nexus study provided.	Low to medium. Local already has authority to implement assessment district after completion of nexus study.	Short Term since no supermajority required.	Short Term - flat district fees would not be tied to inflation so effectiveness would decrease over time. Easy implementation source for small projects.	Local - Applied to beneficiaries of improvements.	Local jurisdiction consideration & nexus study required.		Yield potential is small and revenue assumptions are unknown. Use is tied to purpose of benefit assessment.
Community Facilities Districts					Existing - Need legislation to fund transit operations & transportation projects.	Low	?	Long Term	Local - Beneficiaries of capital infrastructure & services.	State Legislation to use for transportation purposes		Allowed under "Mello-Roos Community Facilities Act of 1982." Legislation required to clarify use of funds.
Cordon Pricing	$863,600,000	$8,636,000,000	Based on SFCTA cordon pricing study for San Francisco and includes projected revenue for San Diego, San Jose, Sacramento, Oakland and Los Angeles.	Local	New	Medium/High	Mid-Term	Long Term	Local/Regional - Public (fee assessed to vehicles entering defined geographic centers)	Local decides cordon pricing program management. State legislative support for pilot efforts & restrict funds generated to support public transit, bicycling & walking within cordon area	SFCTA	Implemented in states urban centers
Developer Impact Mitigation Fees	$250,000,000	$2,500,000,000	Local road impact average cost of $6,486; 100,000 housing units projected/yr. Project $100 to $250 million annually.	Local/County/Multi - County/Regional	Existing	Moderate/High	Short Term	Short Term	Local/County/ Multicounty/ Regional - Developers	State Legislation for consistent fee program	APA, BTH-HCD, League of CA Cities, EDCTC, Duncan Associates 2011 Survey	AB 1600 requires transportation & new development nexus
Parking: Demand Based Pricing & Preferential Parking District Residential Parking market based fees for transportation	$346,000,000	$3,460,000,000	Varies with local implementation	Local Implementation - State/Federal Support	New	Demand-Based Pricing: High/ Residential Parking: Low	Demand-Based Pricing: Long Term/ Residential Parking: Short Term	Demand-Based Pricing: Long Term/ Residential Parking: Long Term	Local - applied to drivers based on demand	State Leg: Amend CA Vehicle Code to allow residential parking fees to be used for TE. Local Implementation	City of Glendale; SFCTA; SF Park	Demand Based pricing for on-street metered & publically owned garage spaces.
Real Estate Transfer Taxes (Deed Recordation Taxes)			CA law allows maximum of $.55 per $1,000 of the property value conveyed.	Local	Existing	High	Long Term	Short-Term	Local - Property Owners	Local approval to assess/levy required		

Innovative Project Delivery												
Statewide Infrastructure Bond Initiative	$1,000,000,000	$10,000,000,000	10-year bond program of $10 billion. Annual yield is $1 billion.	State	New	High	Long Term	Long Term	Multi-modal	State legislation; bond initiative approved by voters; CTC program guidelines	Statewide Needs Assessment, Proposition 1B Guidelines, Bond Accountability Website	Highway Funds to be fungible, similar to RIP funds. Environmental benefit to be included in criteria for selecting projects.
National freight program/fund mechanism (see text for details)			Possible National Sales Tax or VMT Fee	Federal	New	High	Long Term	Undetermined	Federal: Sales Tax - All Consumers and/or VMT Applied to all vehicles	Federal Transportation Authorizing Bill	SCAG 2012 RTP SCAG Port & Modal Elasticity Study; TRB	See Text
Public Private Partnerships (P3)												See text - Text supports P3 as an innovative financing & delivery method to leverage future revenue streams.
Transportation Infrastructure Finance & Innovation Act (TIFIA)				Regional/Local	Existing				Financing up to 33 percent of eligible project costs.	California Sponsors to leverage funding opportunities through the TIFIA program	MAP-21; Federal Register, Vol 77; FHWA	$750 M - FY 2013 $1 B - FY 2014