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VDOT Funds are Cut

Nelson County Times, VA – March 11, 2009

State budget cuts for the Virginia Department of Transportation will significantly impact new construction projects in Nelson County, the agency told the Nelson County Board of Supervisors recently. "What it boils down to, without any funds and additional revenue for VDOT, we're going to build six to seven gravel roads, do two intersection improvements and there will be no additional construction projects in Nelson County for the next 10 years," said VDOT's Kevin Wright.

According to Wright, revenue was so low at the department in the first half of the fiscal year, and projections for the second half expected to be cut, that VDOT officials had to update their budgets, slashing almost all funding for new construction in secondary six-year plans for localities. Paving projects were dropped and it will now take more than a decade to fund the reconstruction of Va. 617 in Schuyler, which was to be complete by 2014 under the old budget.

Under the original version of the six-year plan budget, Nelson County would receive \$4.835 million in new construction funding over the next six years, Wright said. Now, revenue reductions and estimates have reduced it by more than half to \$2.275 million.

NMDOT Introduces Fraud Hotline

New Mexico Business Weekly – March 10, 2009

The transportation department in New Mexico has set up a hotline for reports of abuse, fraud, waste or misconduct within the department. The Office of the Inspector General in the New Mexico Department of Transportation's Investigations and Special Inquiries Bureau will operate

the hotline. Secretary-designate Gary Girón said the agency has set up the line to ensure all business is conducted efficiently and each report will be taken seriously.

The line is open to anyone to report all types of fraud, waste, abuse or misconduct, and people can also email, fax or mail concerns to the DOT. The line will be staffed during regular business hours, and callers can leave messages after hours and on weekends.

NH's Strange Proposal to Raise Hwy. Money

Madison Daily Leader – March 11, 2009

The state of New Hampshire is attempting to get around legal restrictions on the use of transportation money by selling a piece of road back to itself. The New Hampshire House approved the unique ploy in Gov. John Lynch's budget last week, along with a proposal nearly doubling the gas tax.

Since laws require gas tax, vehicle registration revenue and other fees are to be spent strictly on transportation-related expenses, and even stricter rules regulate toll revenue, which allow the income to be spent only on the toll road itself. After the toll increase two years ago, the turnpikes are flush with revenue, which can't be spent on other roads. So lawmakers are hoping to take a one-mile section of I-95 currently not part of the turnpike system and transfer it to the turnpike system. The exchange would pay the highway fund \$120 million for the road, plus interest.

The so-called sale will give the highway fund an extra \$30 million in this budget and \$15 million for the next six budgets, plus interest. It would allow the state to use revenue raised from new tolls to fund a \$120 million purchase from itself, which frees millions of dollars from legal restrictions.



This is an interesting approach and reflects how creatively some agencies are searching for new revenues. I believe we should all note again the illogic of requiring revenues generated on a certain highway to be only spent on that facility. True, the users originally paid the money, but no one's use of the transportation system is so singular and focused that they haven't derived benefits from other parts of the network. The turnpike wouldn't function as it does without the other roads and highways in the system. To restrict toll revenues to just turnpike work is wrong. I have said this before, "It's the system that matters." Until we start seeing the system as it is we will continue to have these problems. TW

Nevada Senate Considers Toll Plan

MSNBC – March 13, 2009

The Nevada State Senate has introduced a bill to allow for privatized toll lanes in the state – a follow-up measure to toll road legislation that failed in the 2007 session. The bill by state Sen. John Lee, D-North Las Vegas, details the guidelines for such roads and stipulates that any existing public highway in the state could not convert into a public toll road.

The proposal also says that any fees imposed for the use of a private toll road in Nevada must "except for the costs of administration be used exclusively for the construction, maintenance and repair of the public highways of this state."

In addition to the toll bill, legislators also expect to see a proposal from the state transportation department for a toll road pilot project in Las Vegas in an effort to close the funding gap in the state's highway budget.

City Places Stimulus Money into State Program

Madison Daily Leader, SD – March 11, 2009

Officials in Madison City, South Dakota decided this week to move federal stimulus money allocated for the city to the state Surface Transportation Program. The Madison City Commission approved the proposal from state highway officials to place \$148,500 in stimulus funds received this month into the state's hands.

South Dakota Department of Transportation officials requested Madison and other communities transfer the money so they will not have to worry about spending it before the January 2010 deadline. The communities will be allowed matching state funds for the projects they eventually fund.