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Toll Increase would Pay for Dulles Mass Transit

Land Line Magazine - August 24, 2009

A proposal to raise tolls on the Dulles Toll Road has been proposed by the tollway's public authority to help pay for a mass transit project serving Washington Dulles International Airport. The Metropolitan Washington Airport Authority is considering a proposal unveiled earlier this summer, which calls for \$2.77 billion in revenue from a toll increase to fund more than fifty-percent of the \$5.26 billion Metrorail project.

Three public hearings are scheduled for the proposal, which would implement the first toll increase Jan. 1, 2010. MWAA's board of directors must approve the plan, which would increase tolls by 25 cents per year from 2010 to 2012. The board plans to vote on the plan in November.

Falling Gas Prices Hurts 'Energy-Rich States'

Arkansas Business - August 24, 2009

The plummeting costs of natural gas and the resulting revenue declines are causing serious budget deficits in "energy-rich states," the Wall Street Journal reported this week.

The Journal article posted Monday said that in Texas, "revenue from gas-production taxes has fallen 43 percent from last year, costing the state more than \$1 billion in revenue. In New Mexico, lawmakers are scrambling to close a \$433 million budget gap even as they worry the gap could widen if gas prices stay low. In Oklahoma, the state government is furloughing employees

and cutting school budgets.”

The article did not mention Arkansas, but local reports suggest that if prices remain low, development in the state could slow. Furthermore, as natural gas prices have dropped, so have collections for the severance tax in the state. A special legislative session in 2008 approved a higher restructured severance tax after negotiations between Gov. Mike Beebe and several natural gas companies.

The new tax rates, which went into effect Jan. 1, raise rates from three-tenths of a cent to up to five percent of the price of natural gas based on the first sale, but includes grace periods and lower rates for hard to develop wells. However, because gas companies had two months to remit the new tax, only four months worth was collected upon the conclusion of the fiscal year on June 30. This amount was just \$10.2 million, compared to the \$18.8 million predicted by the Arkansas Department of Finance and Administration.

MnDOT Short \$50B for Next 20 Years

Minneapolis Star-Tribune – August 25, 2009

A new 20-year plan issued by Minnesota transportation officials projects a \$50 billion shortage in transportation needs across the state, despite legislative approval of a controversial hike in the state gas tax just eighteen months ago. The Minnesota Department of Transportation’s plan lists more than \$65 billion in needed transportation projects, but predicts it will only have \$15 billion to address those needs, even with the funding boost from the federal stimulus package.

“I think people felt that these increases would essentially take care of our needs,” Tom Sorel, Minnesota’s transportation commissioner, said Monday. As the majority of the state’s infrastructure is aging, including more than half of state-owned bridges built over 30 years ago – the needs are exceeding the resources. Transportation officials say the majority of available funding will likely go toward preserving existing roads and bridges, instead of to new projects around the state.



State after state finds the same outcome with these studies--huge demands and few resources to meet the needs. Each time a study is published it almost sounds like the state DOT's fault there isn't sufficient funding. The same holds true with FHWA and FTA. The responsibility lies with elected officials who have the ability to raise the needed funds. TW

Cash for Clunkers Nets \$20B for Used Autos

U.S.D.O.T. News Release – August 26, 2009

The cash for clunkers (CARS) program came to a close Tuesday night with nearly 700,000 clunkers taken off roads, replaced by far more efficient vehicles. The program leveraged \$3 billion in clunker rebates into \$20 billion-plus in new car sales.

Cars made in America topped the most-purchased list, from the Ford Focus to the Toyota Corolla to the Honda Civic.

"American consumers and workers were the clear winners thanks to the cash for clunkers program," said U.S. Transportation Secretary Ray LaHood. "Manufacturing plants have added shifts and recalled workers. Moribund showrooms were brought back to life and consumers bought fuel efficient cars that will save them money and improve the environment."

In the program, 84 percent of consumers traded in trucks and 59 percent purchased passenger cars, which will help improve the environment. The average fuel economy of vehicles traded in was 15.8 miles per gallon and the average fuel economy of vehicles purchased is 24.9 mpg. – a 58-percent improvement.

Nevada County Commission OKs Fuel Tax

The Mercury News – August 26, 2009

RENO, Nev. – Drivers in Washoe County will be paying two cents to three cents more per gallon of gasoline beginning Jan. 1. The county commission this week unanimously approved a fuel tax increase, which was applauded by a standing room-only crowd of developers, builders, real estate agents, plumbers and laborers.

Last November, voters passed an advisory question connecting fuel taxes to a road construction index. Regional Transportation Commission Interim Executive Director Derek Morse said the new source of funding will allow the commission to issue \$80 million in bonds next year and a similarly sized bond in 2012 to fund a variety of projects.

Morse said a 20-year bond for an additional \$85 million was issued in June so construction work could begin.

Local Gov'ts should Unite to Finish Westside Subway, says LA Mayor

The Los Angeles Times – August 20, 2009

LOS ANGELES – The mayor of Los Angeles is calling for unity among local governments in the area to accelerate construction of the \$6.1 billion Westside subway extension, currently scheduled for completion in 2036. The 56-year-old Mayor Antonio Villaraigosa said on the current timetable, the subway would only reach Westwood by the time he was 83, and the cost would be \$4.1 billion for that segment alone by that time.

The entire \$6.1 billion project is planned eventually to extend to Santa Monica, and as the most outspoken advocate for the line, Villaraigosa vented his frustrations about the timeline when he and other officials gathered for a news conference Tuesday in a UCLA parking lot.

"I'm 56 now," the mayor said. "We are here today to make sure that it gets built before I am 66."

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Villaraigosa added that the key to the project's success is for local governments to put aside their differences over proposed transportation projects and establish a combined effort to secure the necessary federal funding to expedite the subway extension as well as other key projects listed in Measure R, the half-cent sales tax for county transportation project approved in November.

"We need a unified approach to get federal money," said Glendale Councilman Ara Najarian, who chairs the Los Angeles County Metropolitan Transportation Authority board of directors. "We need to bring the MTA board together. If it all comes together, we will be a force to be reckoned with. We will be able to advance all our projects."

Calif. Legislators Move to Clear Construction Roadblock

Los Angeles Times – August 27, 2009

SACRAMENTO – Lawmakers in California took steps this week to remove a roadblock that has delayed several thousand construction projects in the southern region of the state because they could not get required environmental permits and were tied up in court battles over permitting power plants.

Legislators reached a compromise Wednesday that would allow the power plant dispute to continue but unrelated projects could move forward. Advocates said the deal would save about 57,000 jobs in Southern California at 3,000 business and public organizations.

The roadblock was over pollution permits issued by the South Coast Air Quality Management District, without which construction projects of all kinds could not continue. The permits are essential for affected government and businesses, state Sen. Roderick Wright (D-Inglewood) told fellow lawmakers. "The ramifications are huge. We are losing a million dollars a day while we negotiate this."