

## TRANSPORTATION FUNDING WORK GROUP OUTLINE – 06/19/2017

Rep. Christofferson conducted the meeting.

- Linda Hull made a presentation and raised the issue of Direct User pays vs. Beneficiary pays and current actual revenues from fuel taxes, vehicle fees and taxes, and General Fund.
- Andrew Gruber distributed "Utah's Unified Transportation Plan 2015-2040" and two one-page handouts, including "Utah's Unified Transportation Plan Financial Overview." He outlined anticipated costs and shortfalls.
- Andrew Jackson gave a presentation about Provo's Utility Transportation Fund, which is used to maintain roads. This fund requires payments from nonprofits like schools, churches, and hospitals, which may otherwise be exempt from property taxes. There are some questions about whether cities can use utility bills to collect for roads, but apparently Provo City has addressed those needs in their version. He handed out an additional presentation from the Mountainland Association of Governments.
- Matt Sibul, UTA, talked about their \$350 million annual operating budget and their revenue sources, most of which are from local option sales taxes. He explained that UTA's \$2 billion in debt was planned for, as a means to expand the light rail and commuter rail systems, and UTA is financially able manage that debt. \$55-60 million per year of UTA's budget is from fare revenue. \$50-60 million comes from the federal government.

Rep. Christofferson led a discussion about the costs of various forms of transportation vs. road maintenance and construction. Chair Christofferson asked work group members to consider the question of price per mile per person, including current funding (or lack thereof) and future needs. Comments concerned:

- the importance of considering not just cost (per mile, per user, etc.), but the return on that asset—qualitative vs. quantitative
- what our current revenue sources are, *are they sustainable*, and if not, what are some alternative revenue sources?
- how are we making decisions about how the revenue is spent across the modes, who is making those decisions, and what's the process for making those decisions?
- what share of road users are delivering products and services, what share are commuting, who are the other users?
- how will autonomous vehicles affect travel – increase or decrease VMT?
- land use may be one of the most important considerations (for exp., the Point of the Mountain development)
- how costs change with governance choices, land use decisions tied to infrastructure/economic development that comes from land use, transportation investments
- should users pay for the whole system (and CAN they), or must it be spread out, since everyone benefits from roadways and transportation in some way
  - User fees and Beneficiary fees

Rep. Christofferson asked each member to share what they see as challenges:

- silos that exist and changes that need to be made
- continuing to invest in our asset so it stays at a state of functionality, rather than "kicking the can down the road"; spend the dollar now, rather than spending the 7-10 dollars to repair or replace it later (though the public must buy into that concept)
- autonomous vehicles, which will require "smart" roadways—more expensive per mile constructions costs
- alternative fuel vehicles, which don't pay the same share through gas tax, but use the roads
- electronic tracking, future boom/bust of economy
- regional and statewide transportation funding, especially when considering multi-modal transportation
- a charge for vehicle miles travelled (as tracked by GPS), instead of a per gallon gas tax (concern is data collection accuracy and privacy); possibility of tolls; some combination of these (though there's a cost to administer these programs that must be considered as well)
- misinformation about transportation and how the money is spent
- registration fees to address the alternative fuel vehicle advantage

Rep. Christofferson encouraged work group members to do some research and come up with some of the answers to these questions.

It was agreed that the next meeting of the work group would be held on Monday, July 17, at 10 a.m.