

Funding Overview and Trends

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Indiana Local Road Funding

Gas Tax - Overview



Gasoline

\$0.184 Federal Gas Tax
\$0.33 Indiana Gas Tax
7% State Gas Use Tax

Special Fuel (SF)

\$0.244 Federal Diesel Tax
\$0.55 Indiana SF Tax

December 2022

DOR - \$2.842/gallon



\$0.184 Federal
\$0.33 Indiana Gas Tax
\$0.199 Indiana Gas Use Tax
\$0.713

80% of MVH comes from Fuel Taxes

Indiana Local Road Funding

Electric cars and Hybrid cars



Electric Car Fee
\$150/year

Hybrid Car Fee
\$50/year

Total Revenue for CCMGF
< \$0.5 million / year

IC 9-18.1-5-12

(f) The fee shall be deposited in the local road and bridge matching grant fund established by IC 8-23-30-2.

Indiana Local Road Funding

Legislative Changes



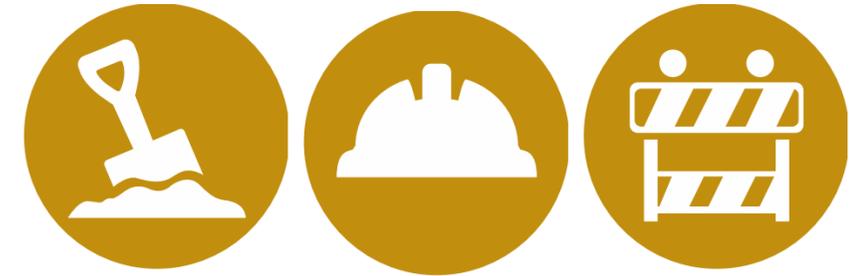
2016: HB 1001

- Established Local Road and Bridge Matching Grant Fund (Community Crossings)
- Increased the maximum rates for Wheel Tax / Excise Surtax for Counties
- Allowed Municipalities to also adopt a Wheel Tax / Excise Surtax

Indiana Local Road Funding

Legislative Changes

2017: HB 1002



- 10 cent/gal Gas Tax Increase
 - 10 cent/gal Special Fuel Tax Increases
 - 10 cent/gal Motor Carrier Surtax Increase
 - Increase in IRP
 - Eliminates sales tax on special fuel
 - New requirements on how MVH to be used
- * Annually Indexed

- Eliminated the 1 cent/gal to INDOT
- Eliminated the 1 cent/gal to Local MVH
- Eliminated Special Distributions Account
- Changes the MVH distribution from 53/47 (INDOT/Local) to 60/40

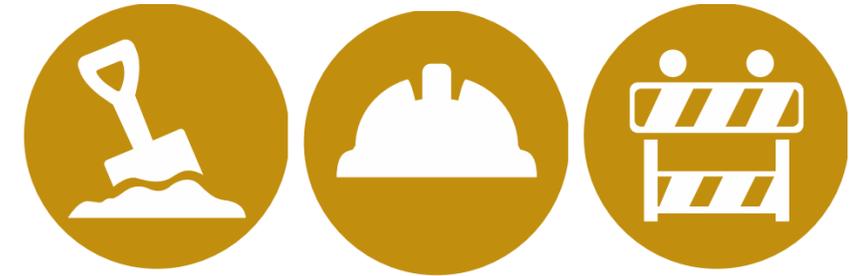
| | |
|-------------|--------------|
| Local Share | 2018: 45.50% |
| | 2019: 40.75% |
| | 2020: 40.75% |
| | 2021: 40.50% |
| | 2022: 40.25% |
| | 2023: 40.00% |

Indiana Local Road Funding

Legislative Changes

2017: HB 1002

2018: Changes



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 - New requirements on how MVH to be used
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50% to spent on Construction, Reconstruction, Preservation

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Local Share

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|-------|--------|
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| 2019: | 40.75% |
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| 2023: | 40.00% |

2018: Changed to straight 62/38 (INDOT/Local) Split

Indiana Local Road Funding

History: Indiana Gas Tax

Gas Tax

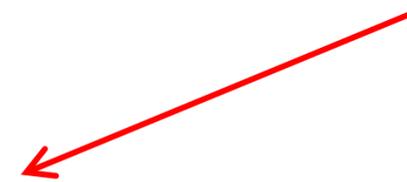
- 1980: 8% or \$0.12 max per gal
- 1985: \$0.14 per gal
- 1988: \$0.15 per gal
- 2002: \$0.18 per gal
- **2017: \$0.28 per gal**
- 2022: \$0.33 per gal

Special Fuel Tax

- 1980: 8% or \$0.12 max per gal
- 1985: \$0.15 per gal
- 1988: \$0.16 per gal
- **2017: \$0.26 per gal**
- 2018: \$0.47 per gal
- 2022: \$0.55 per gal

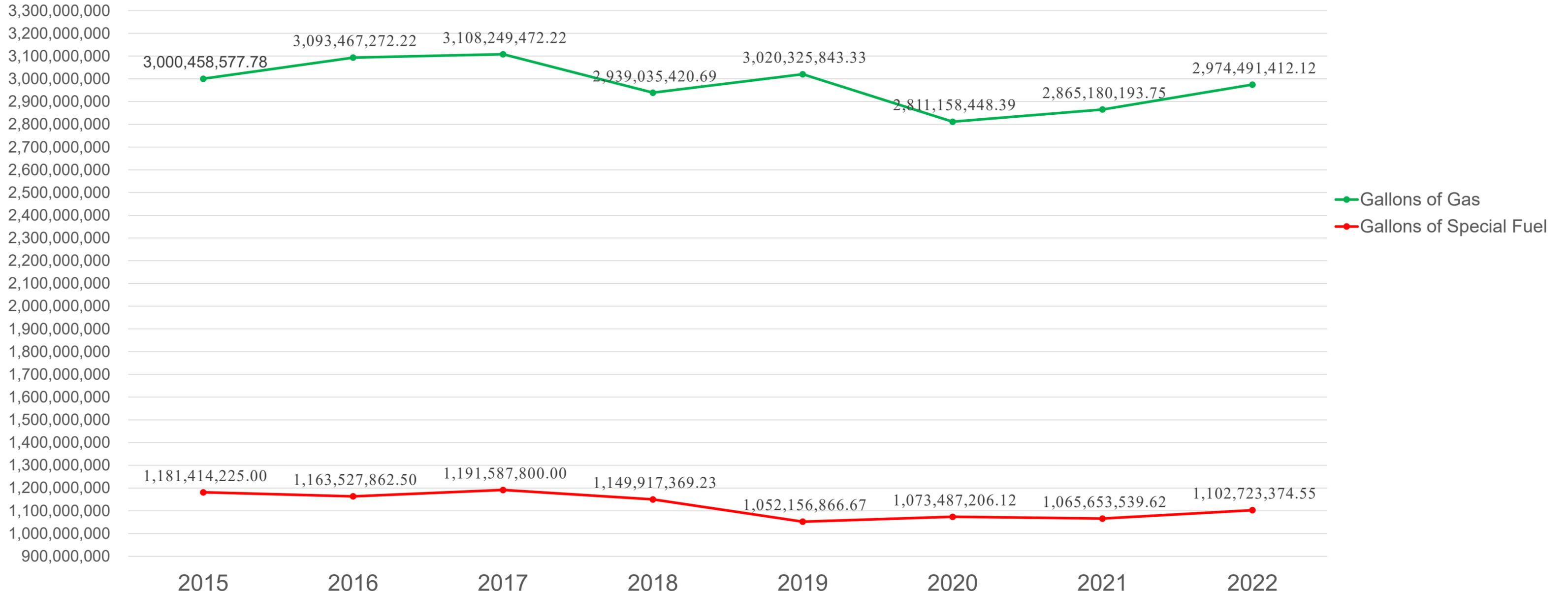
Motor Carrier Surtax

- 1985: \$0.08 per gal
- 1988: \$0.11 per gal
- **2017: \$0.21 per gal**
- 2018: \$0.00 per gal



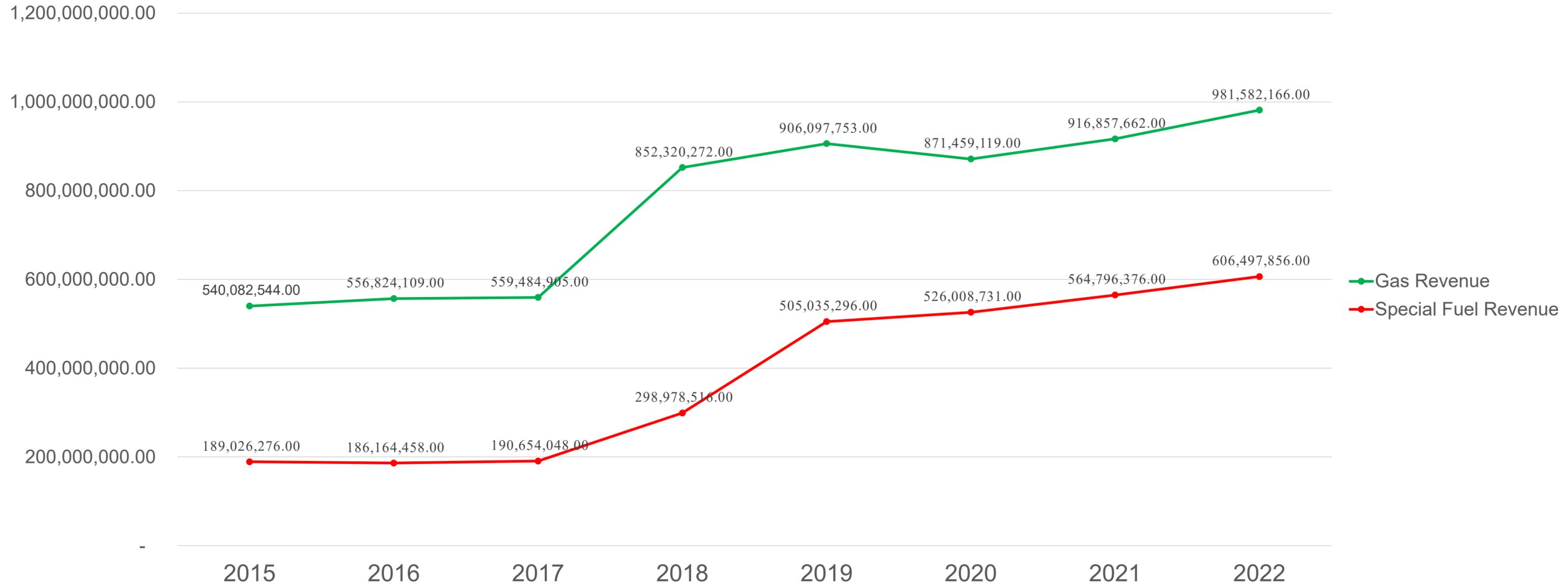
Indiana Local Road Funding

Volume of Gas & Special Fuel Taxed



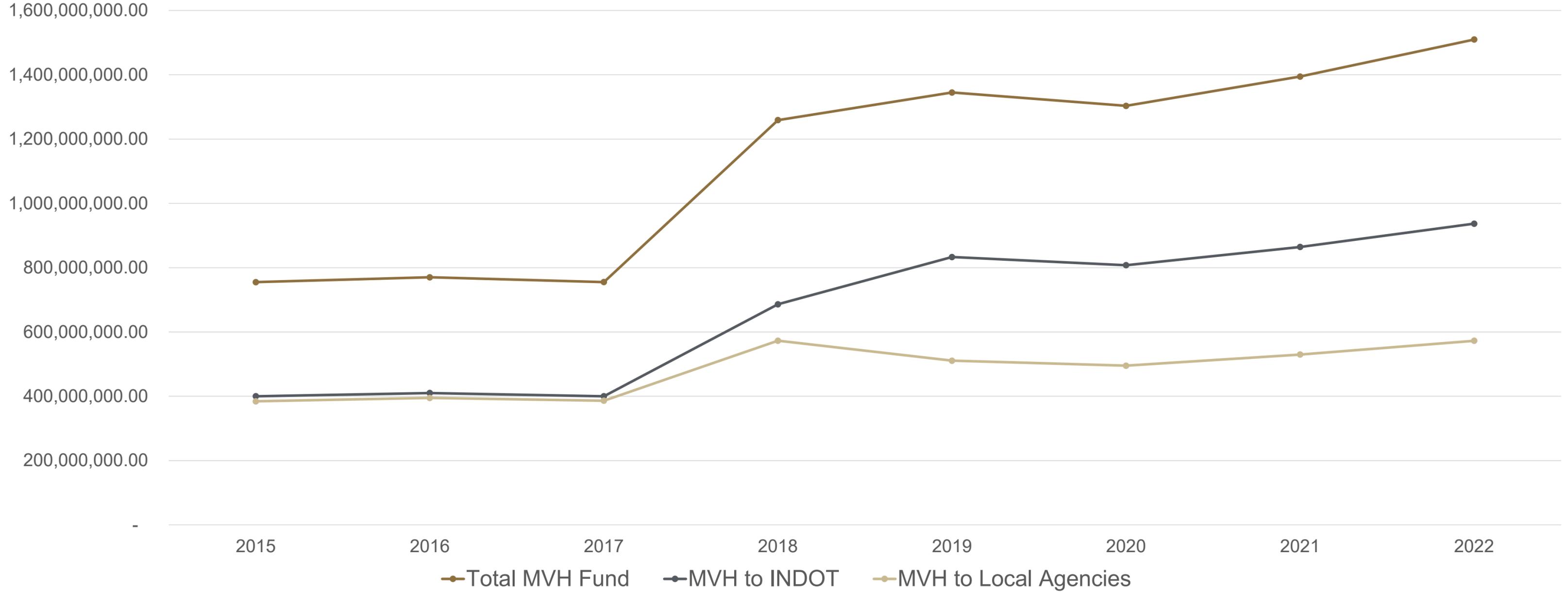
Indiana Local Road Funding

Gas & Special Fuel Revenue (\$)



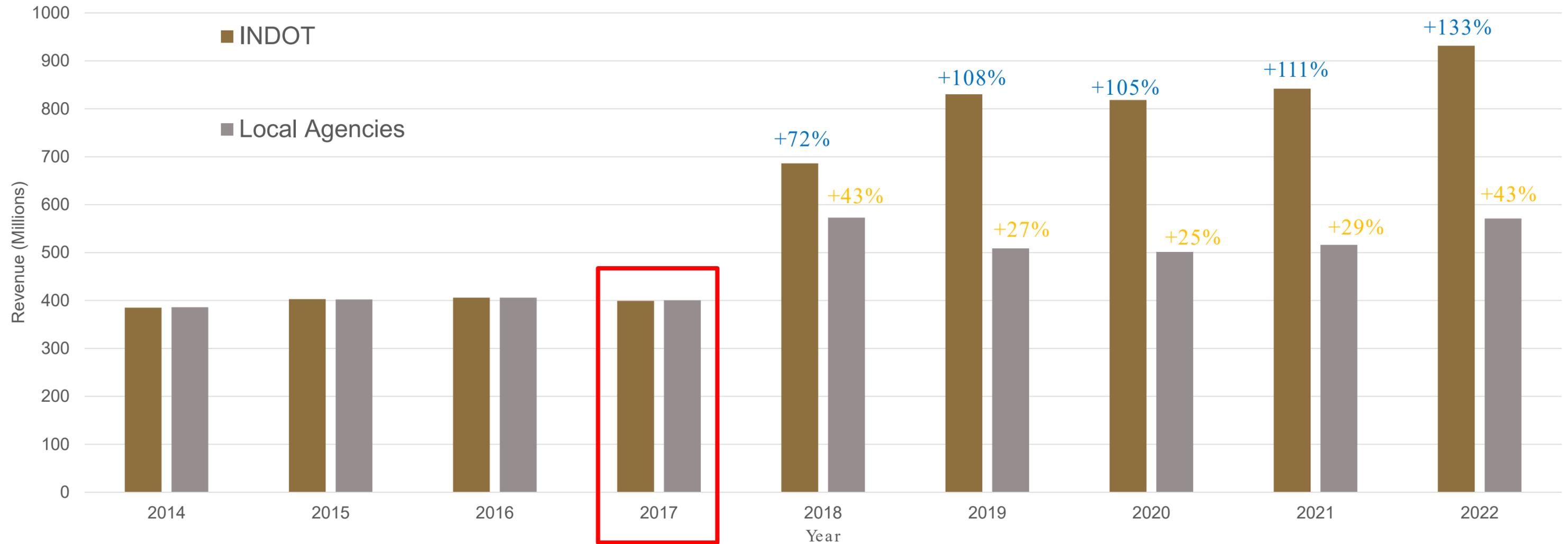
Indiana Local Road Funding

Indiana MVH Fund (\$)



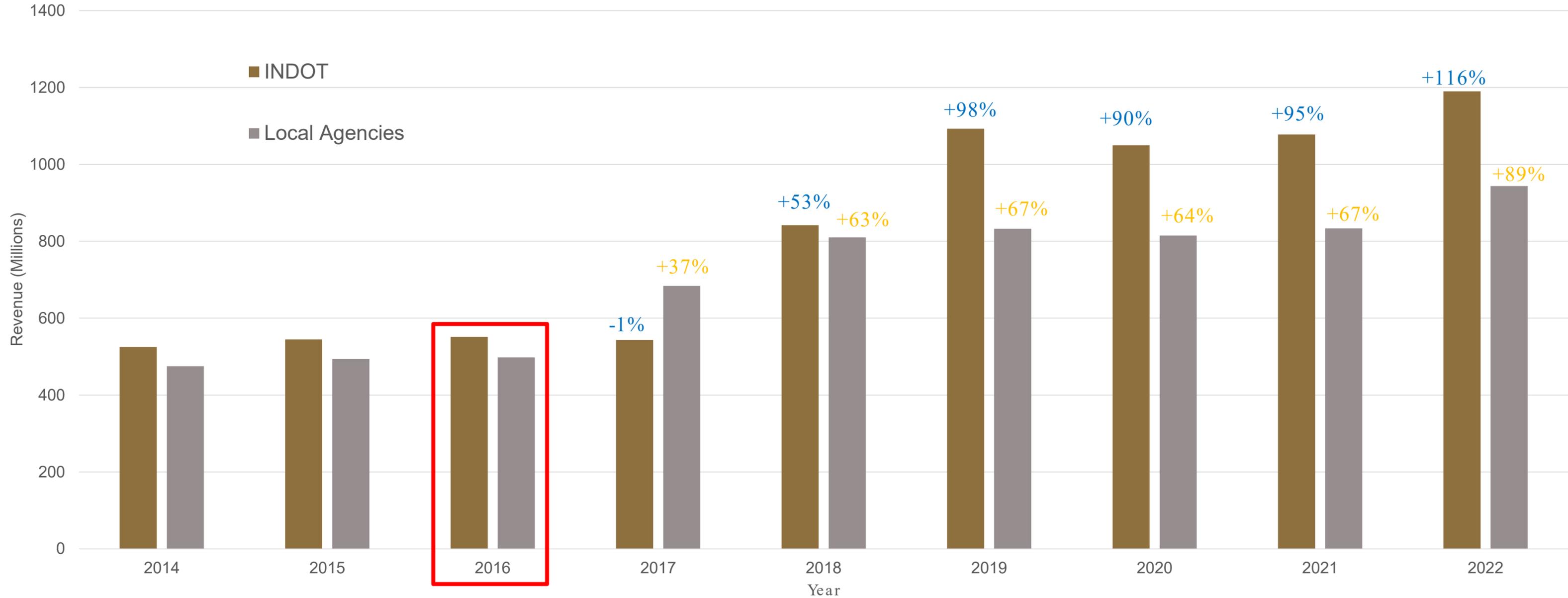
Indiana Local Road Funding

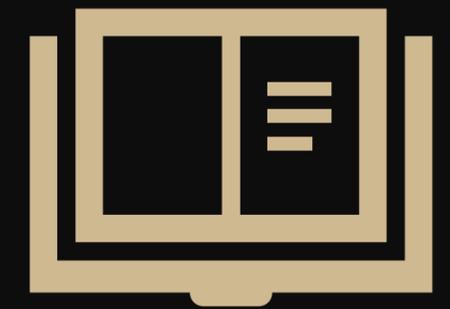
Motor Vehicle Highway Account Growth Compared to 2017



Indiana Local Road Funding

Total MVH, LRS, and CCMGF

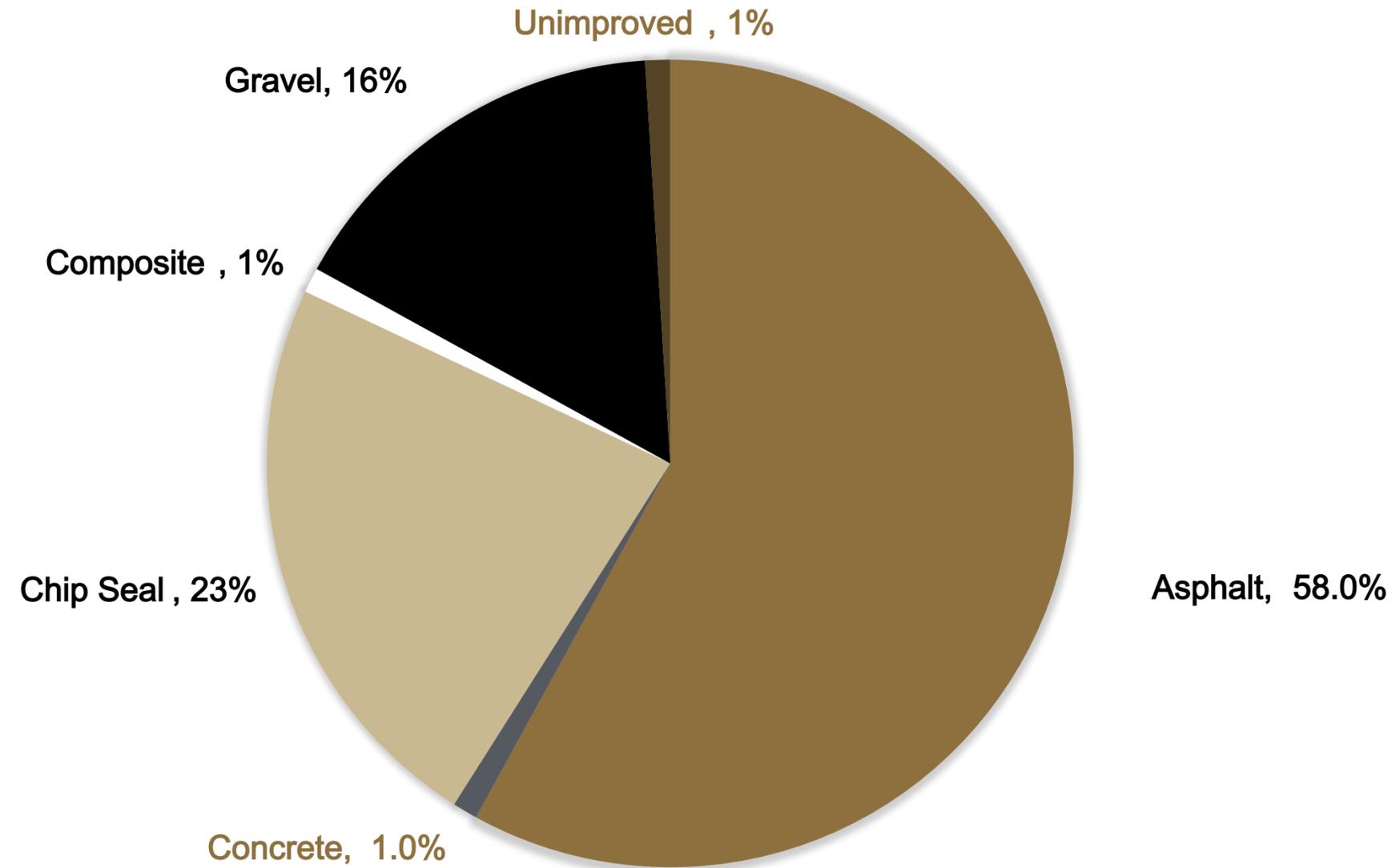




County Inventory and Condition Ratings

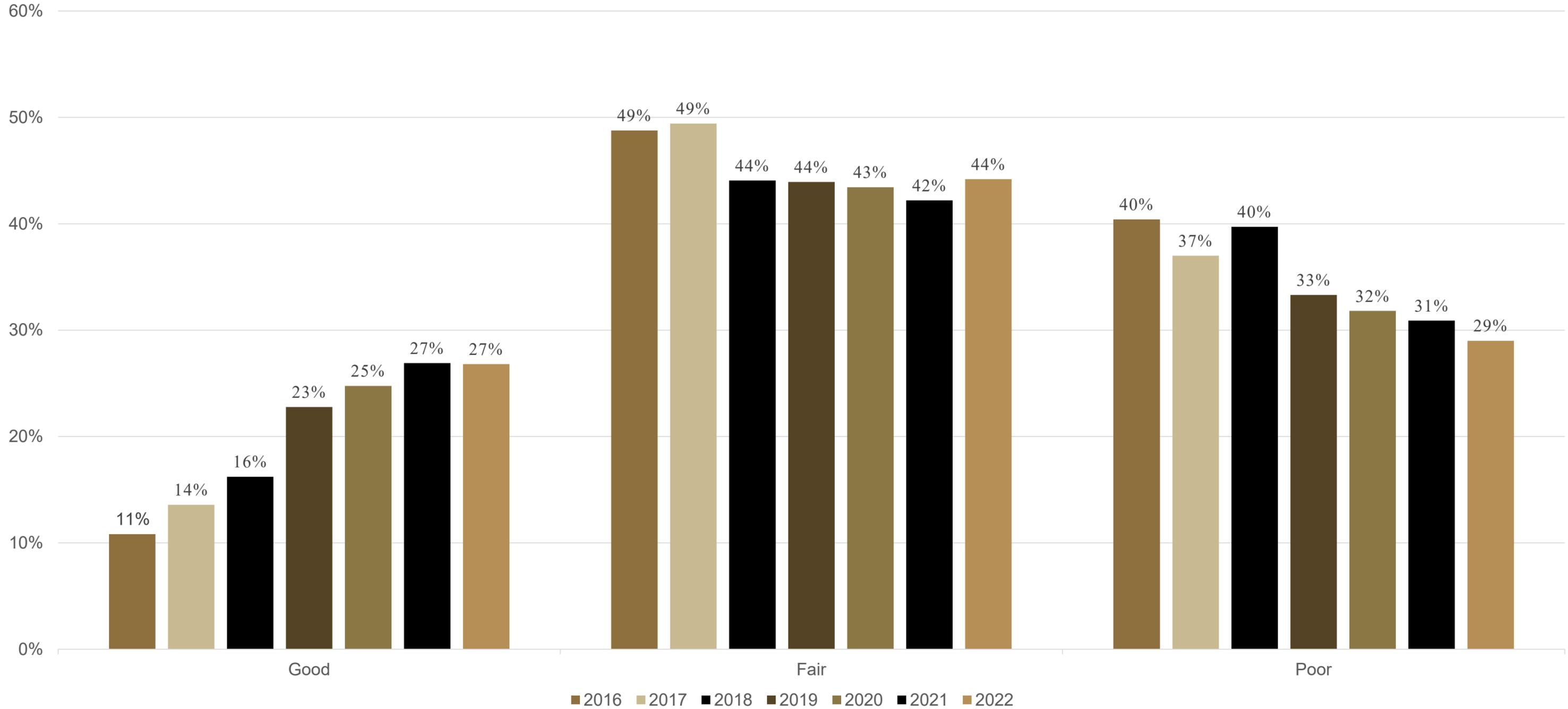
Indiana Local Road Funding

Based on 2022 Pavement Asset Management Plan Submittals



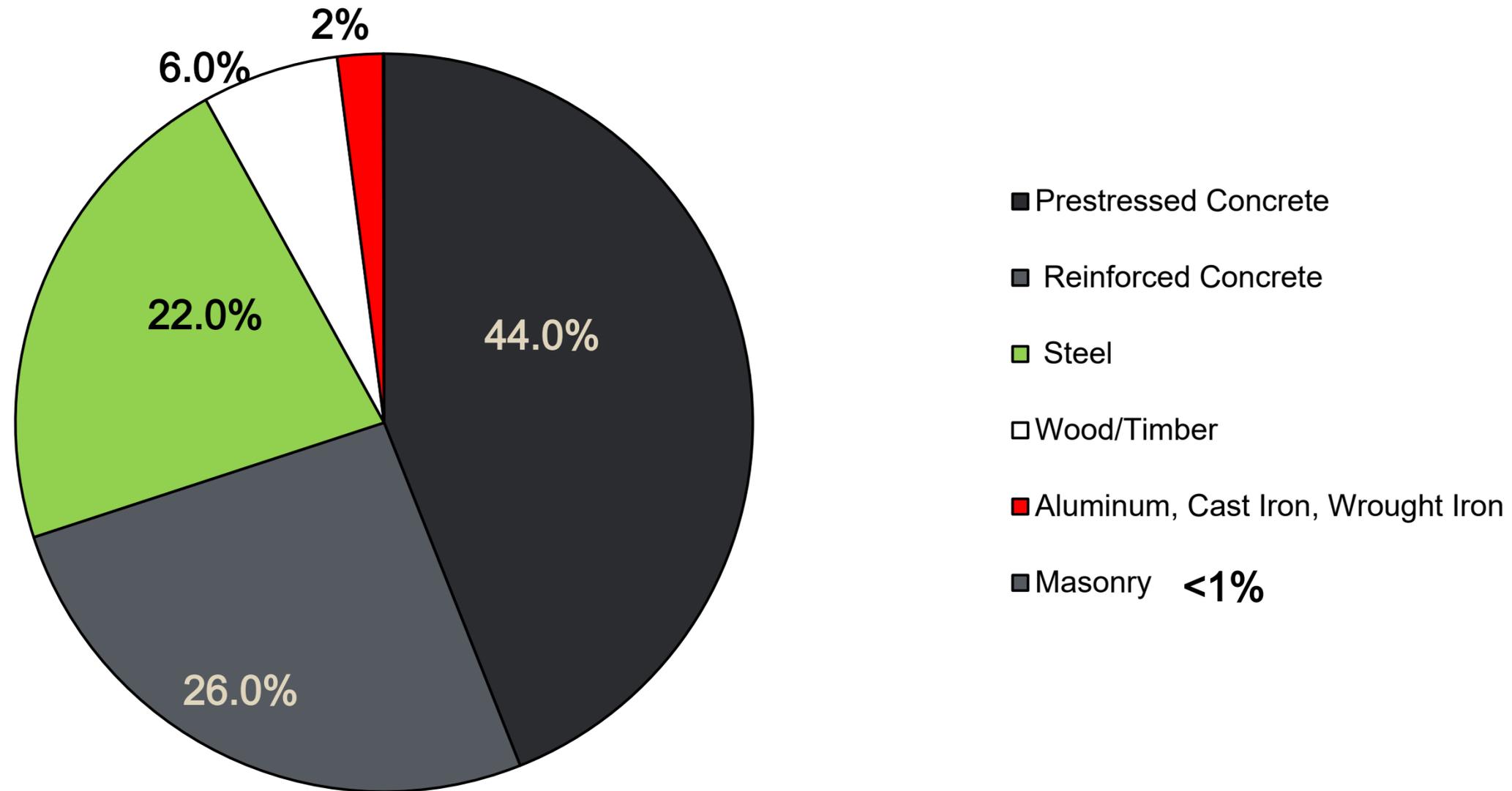
Indiana Local Road Funding

County Pavement Condition Summary



Indiana Local Road Funding

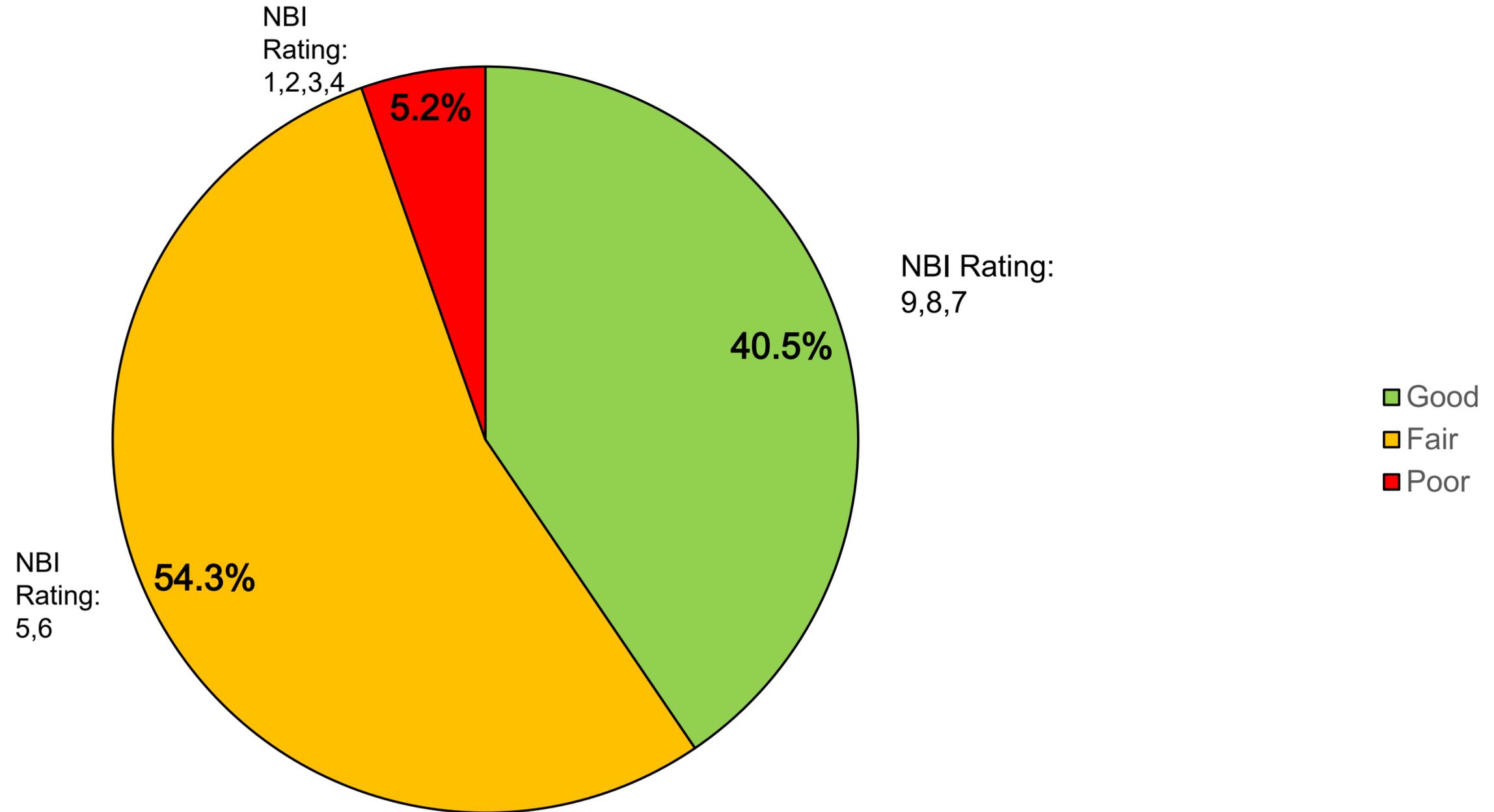
- Indiana Local Bridge Types: ~13,135 Bridges; ~32,000,000 sft Bridge Deck Area



Indiana Local Road Funding

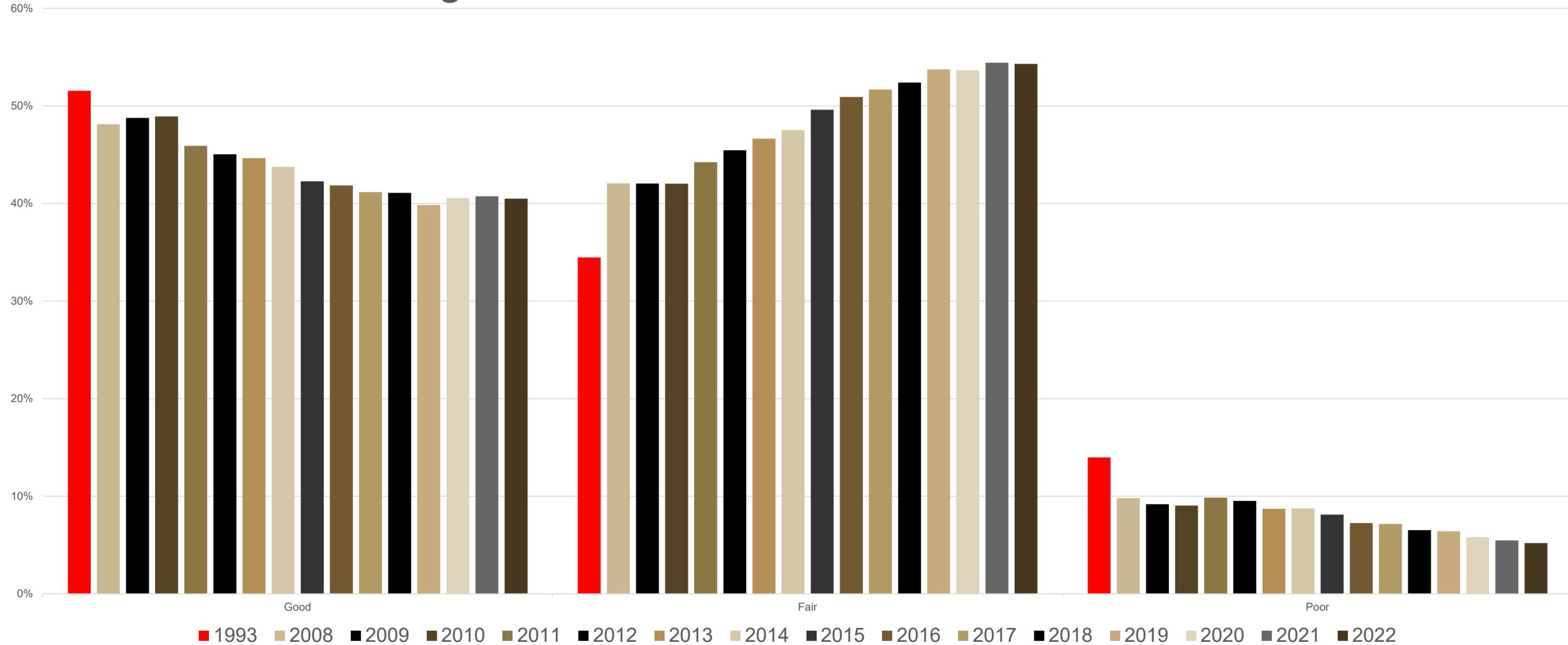
Indiana County Bridges:

~13,167 Bridges; ~32,000,000 sft Bridge Deck Area



Indiana Local Road Funding

Indiana Local Bridge Condition



Indiana Local Technical Assistance Program

Indiana Local Road Funding

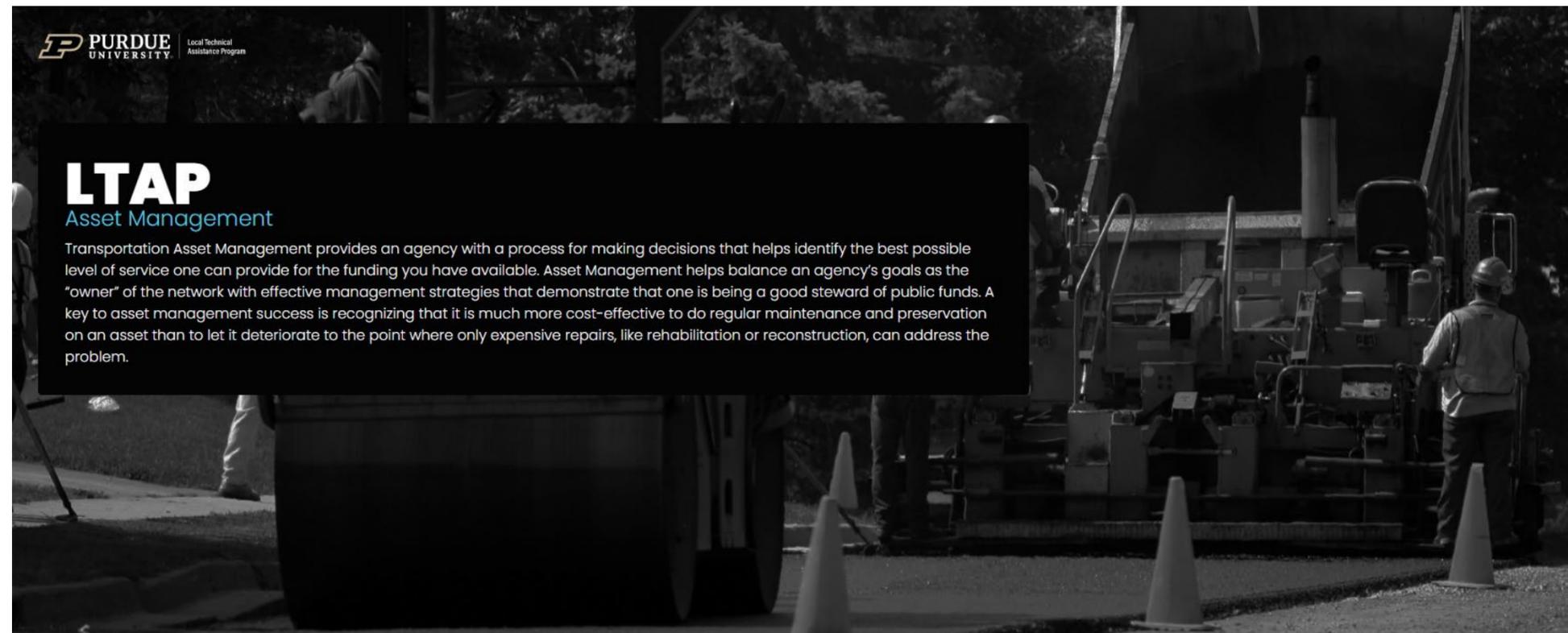
HB 1576

IC 8-23-30-9 Electronic availability of local asset management plans

Sec. 9. Not later than July 1, 2022, the department shall make asset management plans of local units approved under this chapter available in an electronic format specified by the department on an Internet web site maintained by:

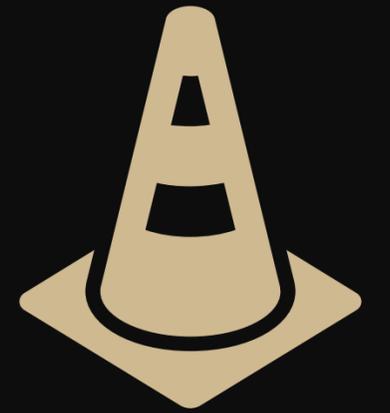
- (1) the department; or
- (2) an entity contracted by the department to approve asset management plans.

Website



Overall for Indiana Local Roads

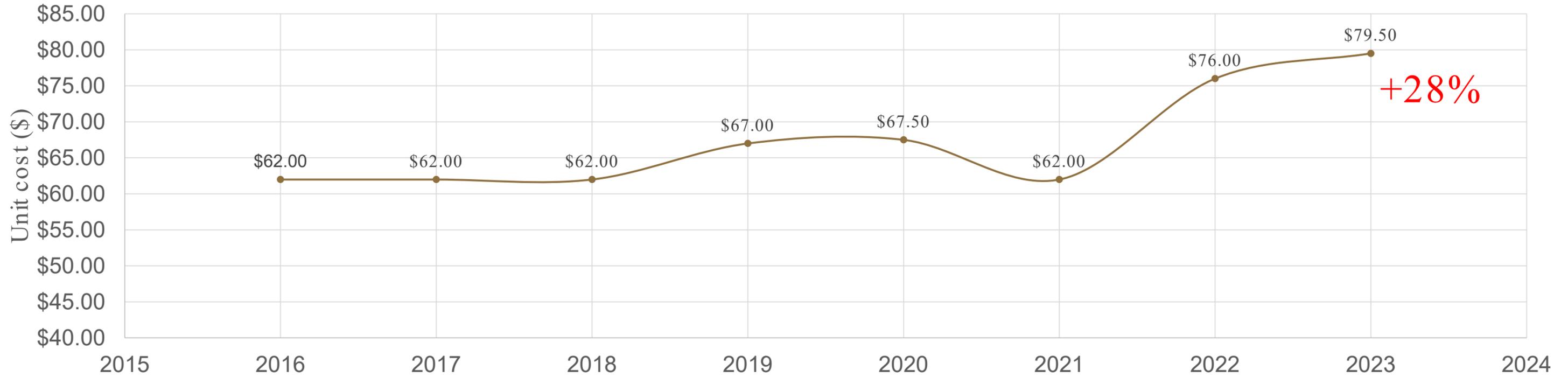
Asset Management provides the framework to plan, budget, and communicate the owner's strategy and results that they are working to achieve. In effort to help communicate and provide transparency, this website provides access to the data that the Indiana LTAP has been given from the cities, towns, and counties. The data below represents the aggregated data for cities, towns, and counties to report and demonstrate the size of



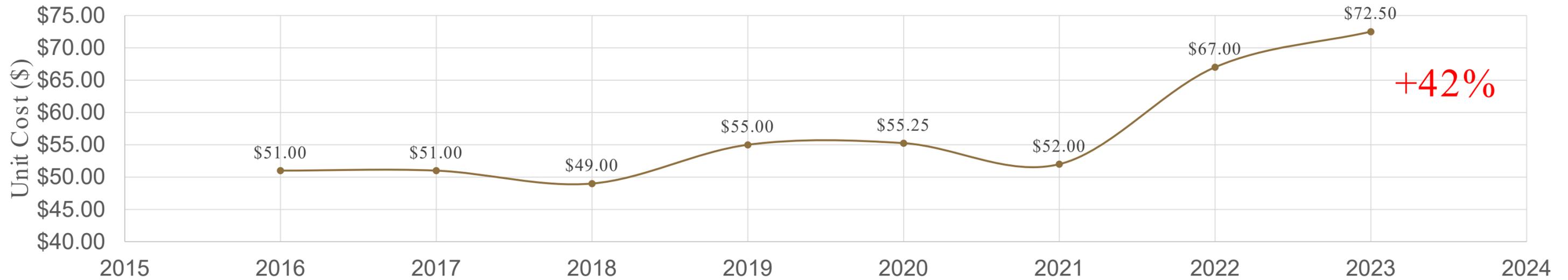
***Construction Costs over
the Past 6 to 8 Years***

Indiana Local Road Funding – County #1

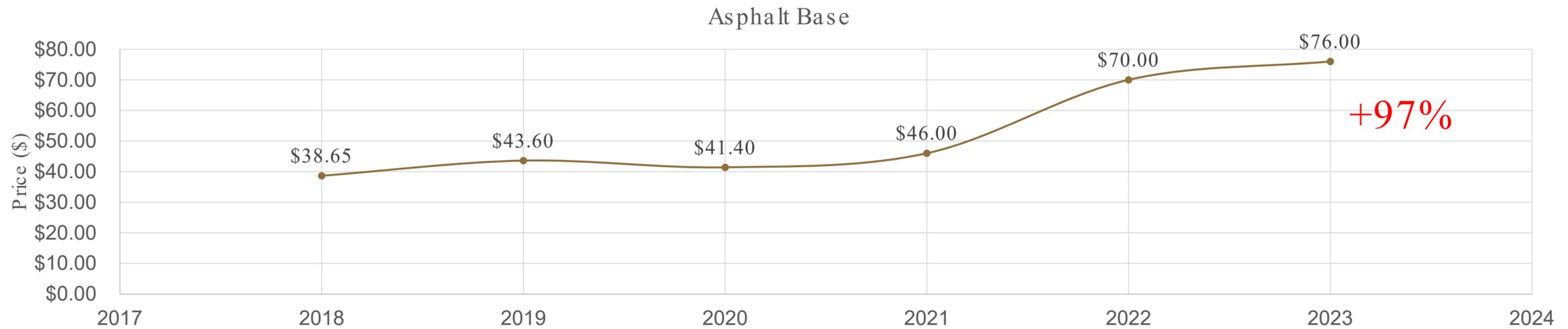
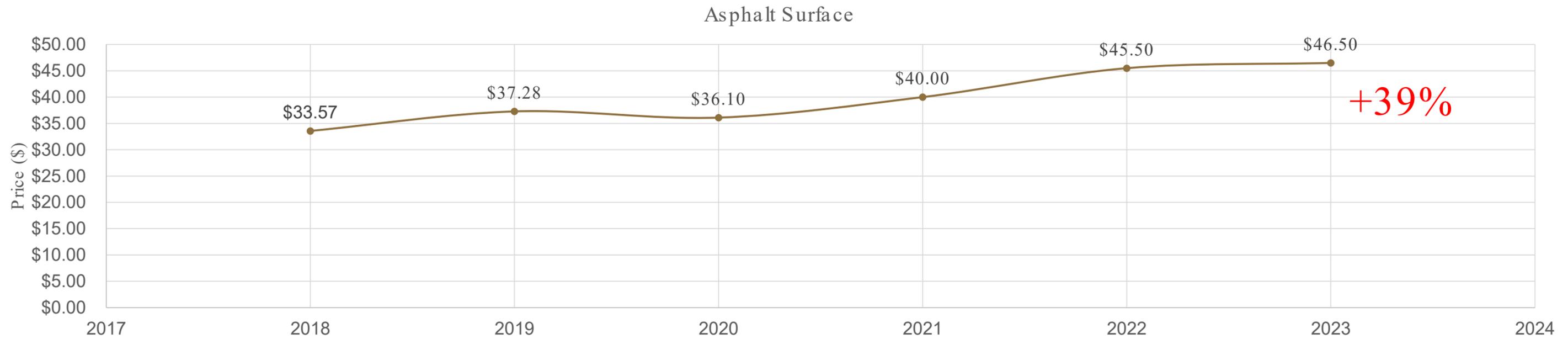
Asphalt Surface



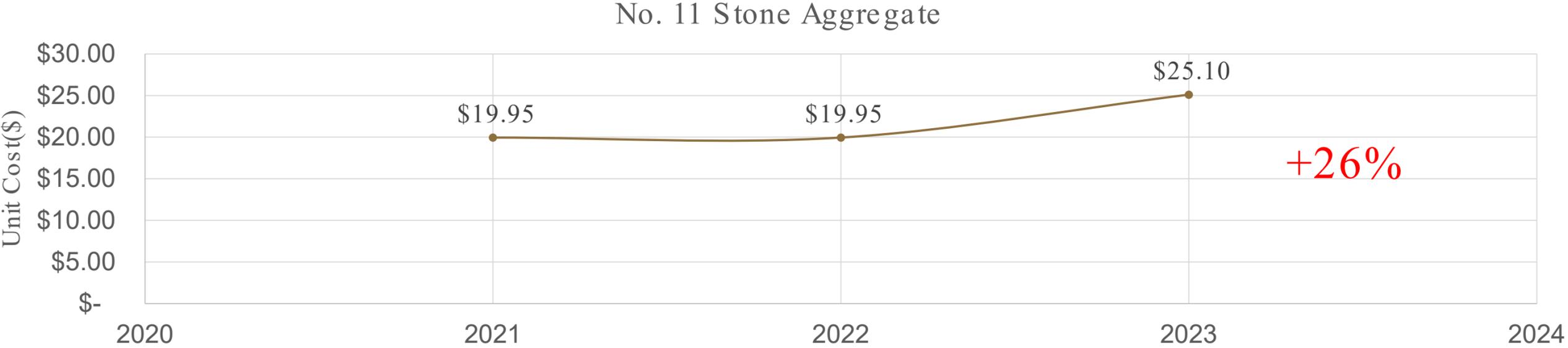
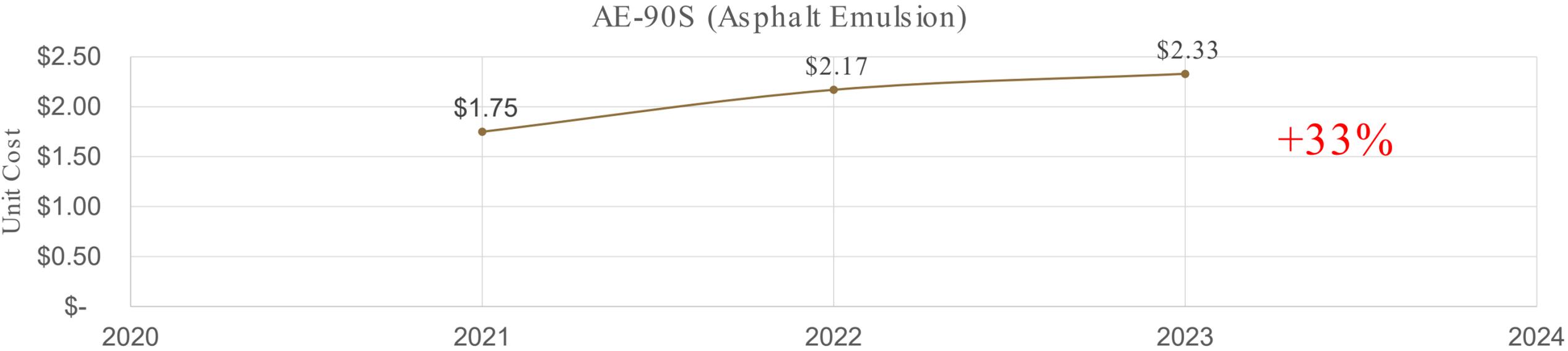
Intermediate 19mm



Indiana Local Road Funding- County #2

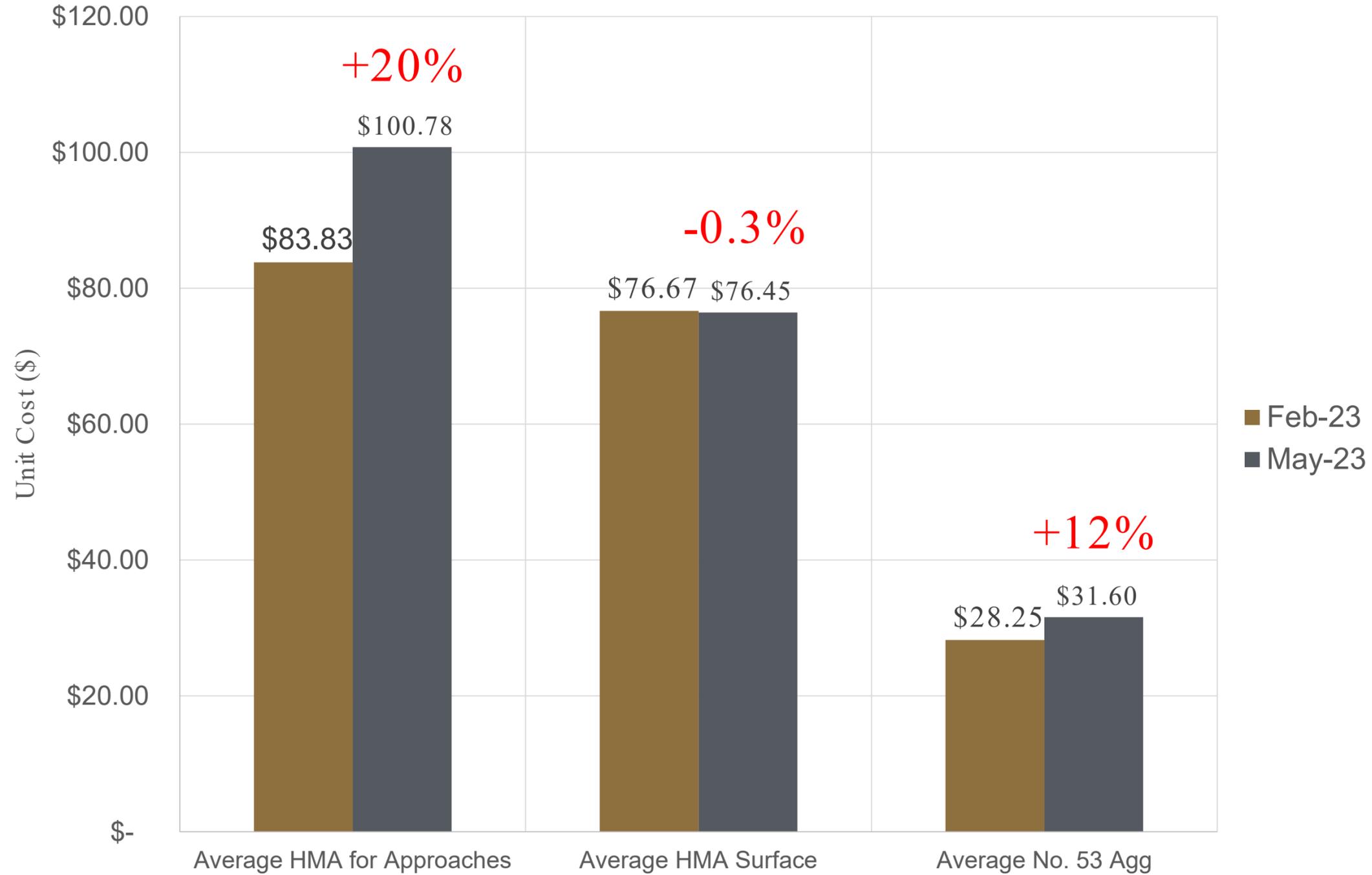


Indiana Local Road Funding- County #3



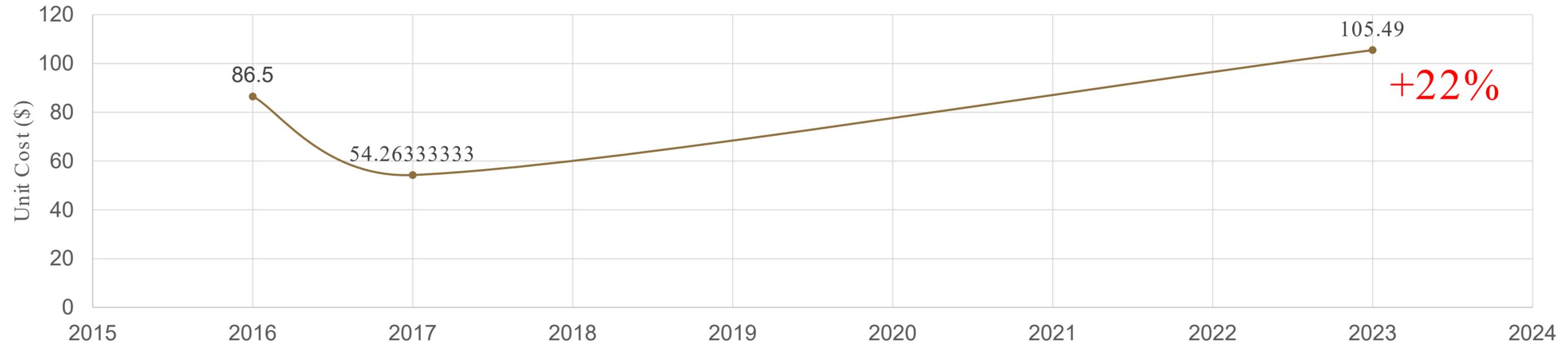
Indiana Local Road Funding-County #3 Cont.

Price Differences in 2023

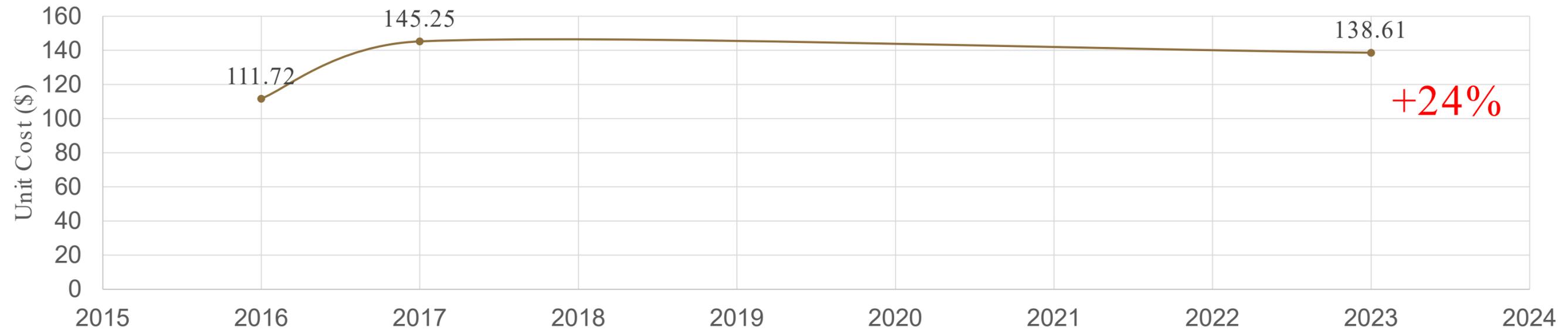


Indiana Local Road Funding- County #4

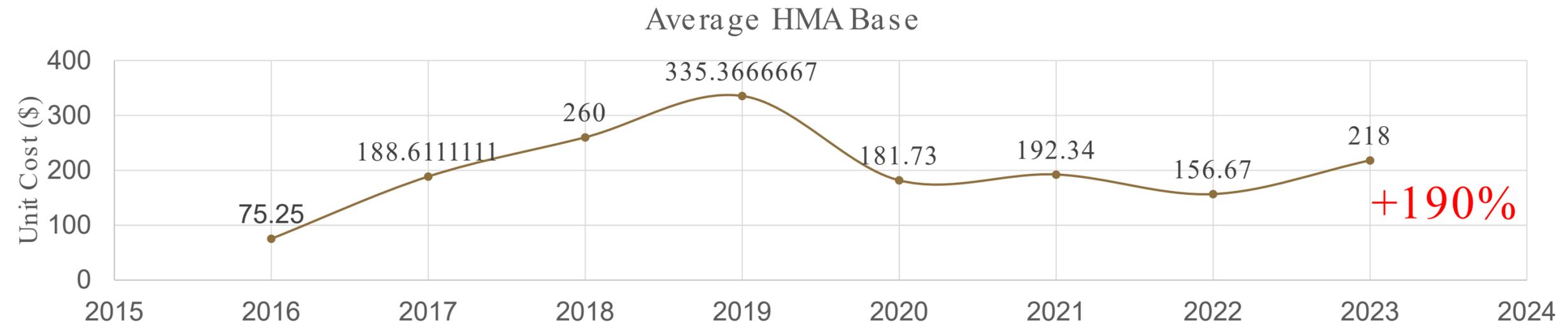
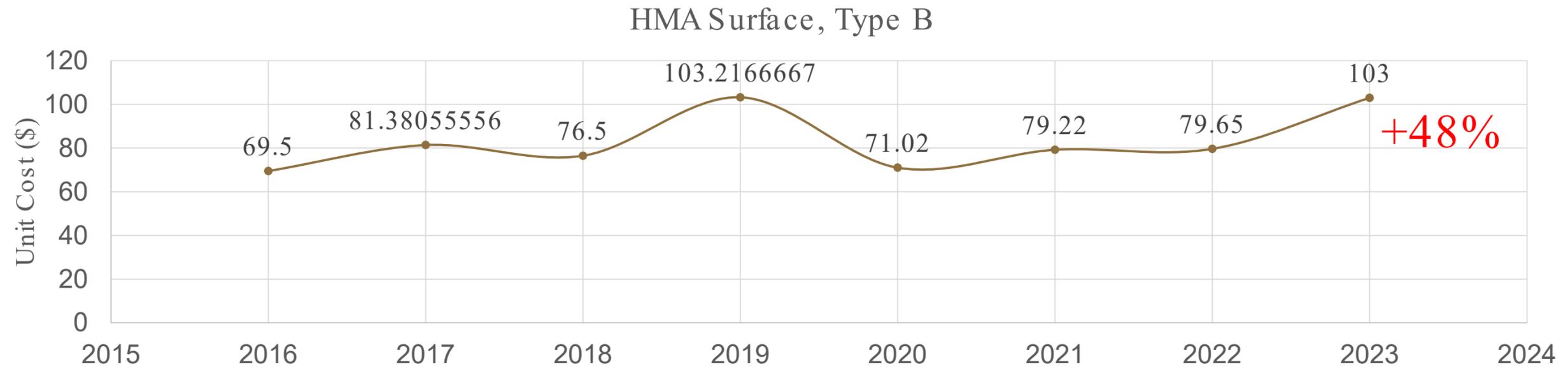
HMA Surface 9.5mm

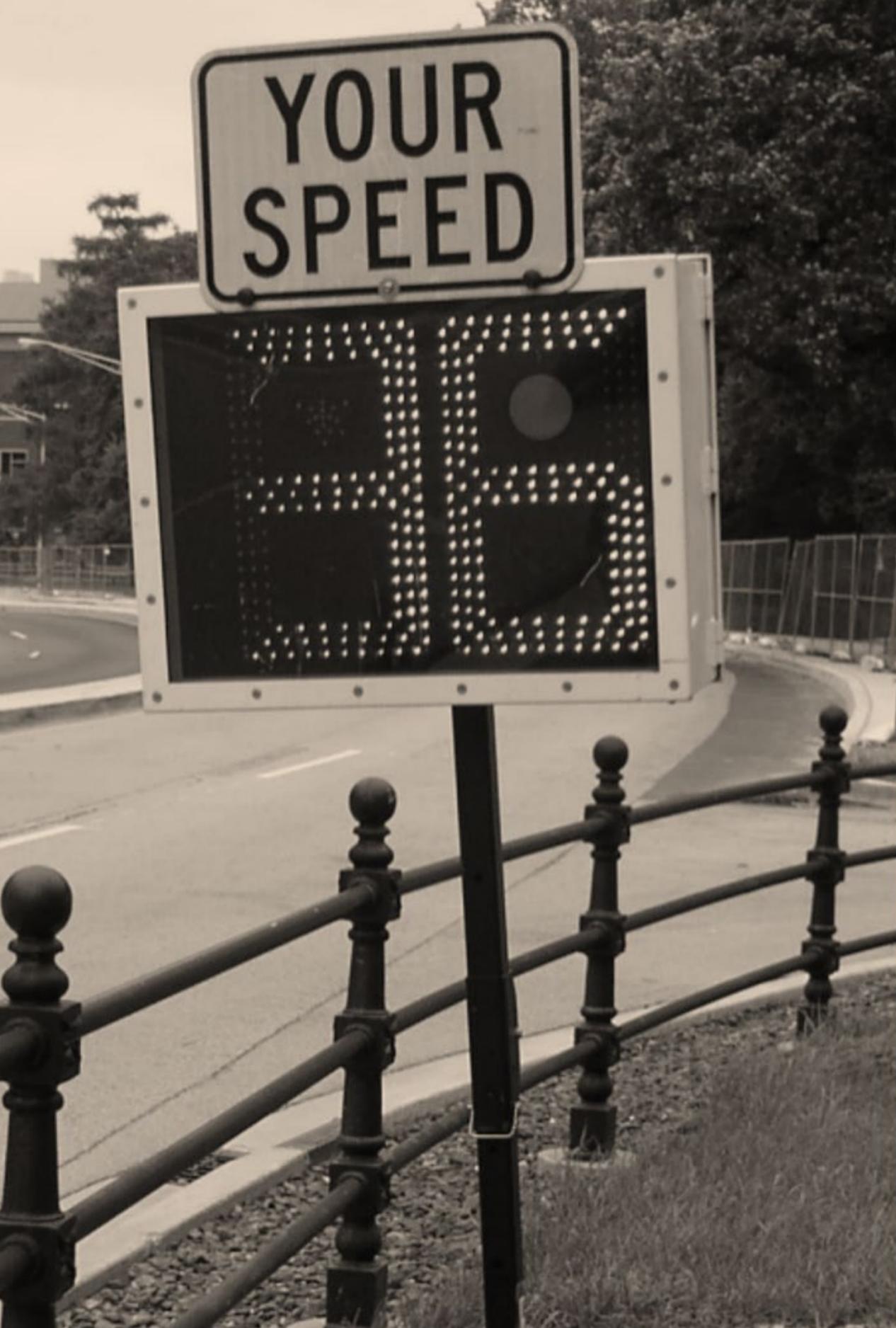


HMA Base 25mm



Indiana Local Road Funding-County #5

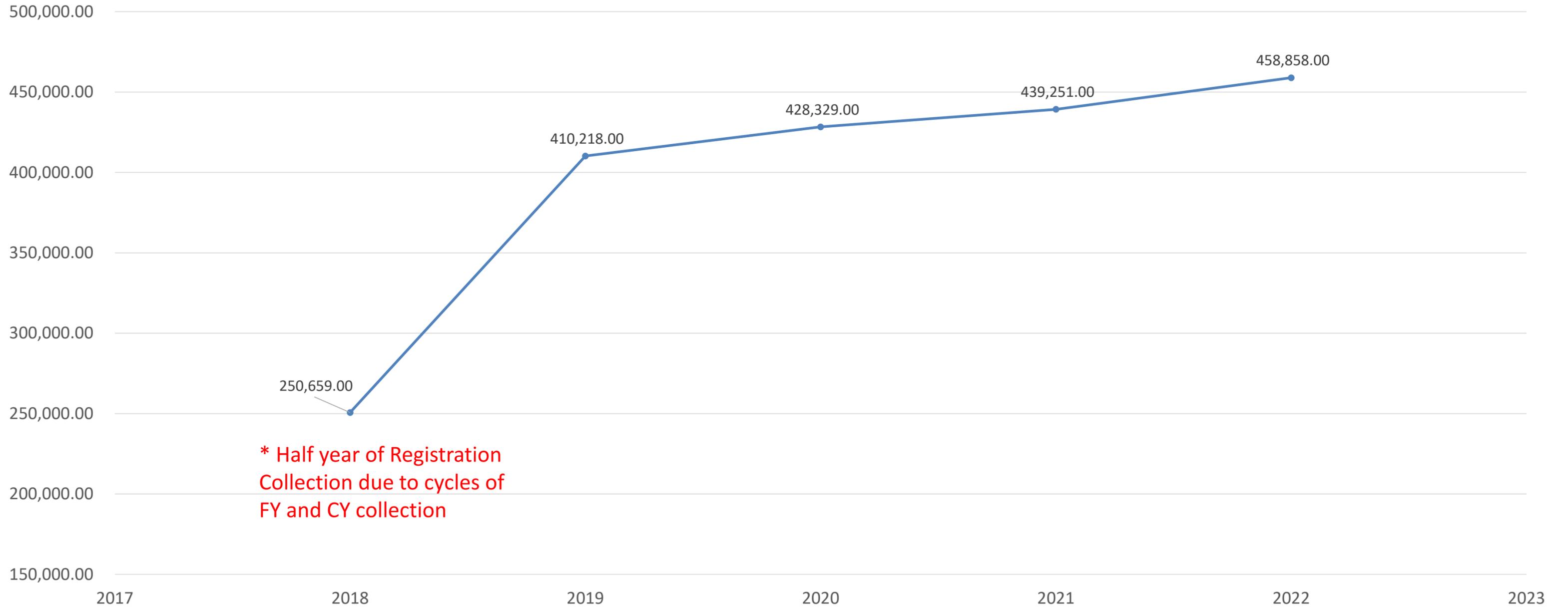




***Electric Vehicle Trends
and Transportation
Funding***

Indiana Local Road Funding – County #1

EV/Hybrid Registration Fee Revenue (\$)



Average Gas Tax per Passenger Car

*Average Miles Driven per in the US: 13,476

*Average Miles Driven per year in **Indiana**: 18,024 miles per year

** Average Fuel Economy Car: 24.20 mpg

Average \$\$ in Indiana Gas Tax:

Gas Tax (\$0.33) = \$245.78

Gas Use Tax (\$0.20) = \$148.96

Total Indiana Gas Tax and Usage Tax = \$394.74/ year

EV Fee = \$150/year



Summary and Key Takeaways

Indiana Local Road Funding

Funding Overview and Trends

- MVH
 - 80% comes from fuel taxes
 - Revenue increase in 2022 compared to 2017
 - INDOT = 133% increase
 - Local = 43% increase
- CCMGF
 - <\$0.5 million / year
 - \$150 / year EV & \$50 / year hybrid
- Average Gas Tax per Passenger Car = \$395 / year
- Legislative Impacts
 - 2016 – CCMGF, Wheel Tax / Excise Surtax
 - 2017 – Annually Indexed Gas Tax, phased split changes of INDOT/Local (60/40 by 2023)
 - 2018 – MVH 50% restriction, changed split to 62% INDOT / 38% Local immediately

Key Takeaways

- Fuel taxes are an important source of funding
- Change in distribution significantly impacted INDOT/Local revenue share
- Future analysis of EV and hybrid impacts on fuel tax revenue will be required
- Future analysis of average gas tax paid per year vs. EV/hybrid fee per year will be required

County Inventory and Condition Ratings

- Pavement
 - Over half of the local network is asphalt
 - Good pavement is increasing
 - Fair pavement remains constant
 - Poor pavement is decreasing
- Bridge
 - Almost half are prestressed concrete
 - Good bridges are decreasing
 - Fair bridges are increasing
 - Poor bridges are decreasing

Key Takeaways

Pavement

- Impact of asset management plans
- Future focus on maintenance and preservation

Bridge

- Increased funding will be required to address the increase in fair bridges

Construction Cost Trends

- Asphalt
 - Surface – average increase of 22% to 48%
 - Intermediate – average increase of 42%
 - Base – average increase of 24% to 190%
- Asphalt Emulsion – average increase of 33%
- Stone / Aggregate – average increase of 12% to 26%
- Revenue may have increased but costs of construction have also increased

Key Takeaways

- Cost of materials is increasing
- Evaluation of force account vs. contracted work is needed
- Purchasing power has decreased

WE WANT TO HEAR FROM YOU

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