

# Oklahoma Long Range TRANSPORTATION PLAN



Moving Oklahoma  
**FORWARD**

Technical Memorandum

# Revenue Forecasts and Scenarios

Prepared for:

Oklahoma Department of Transportation

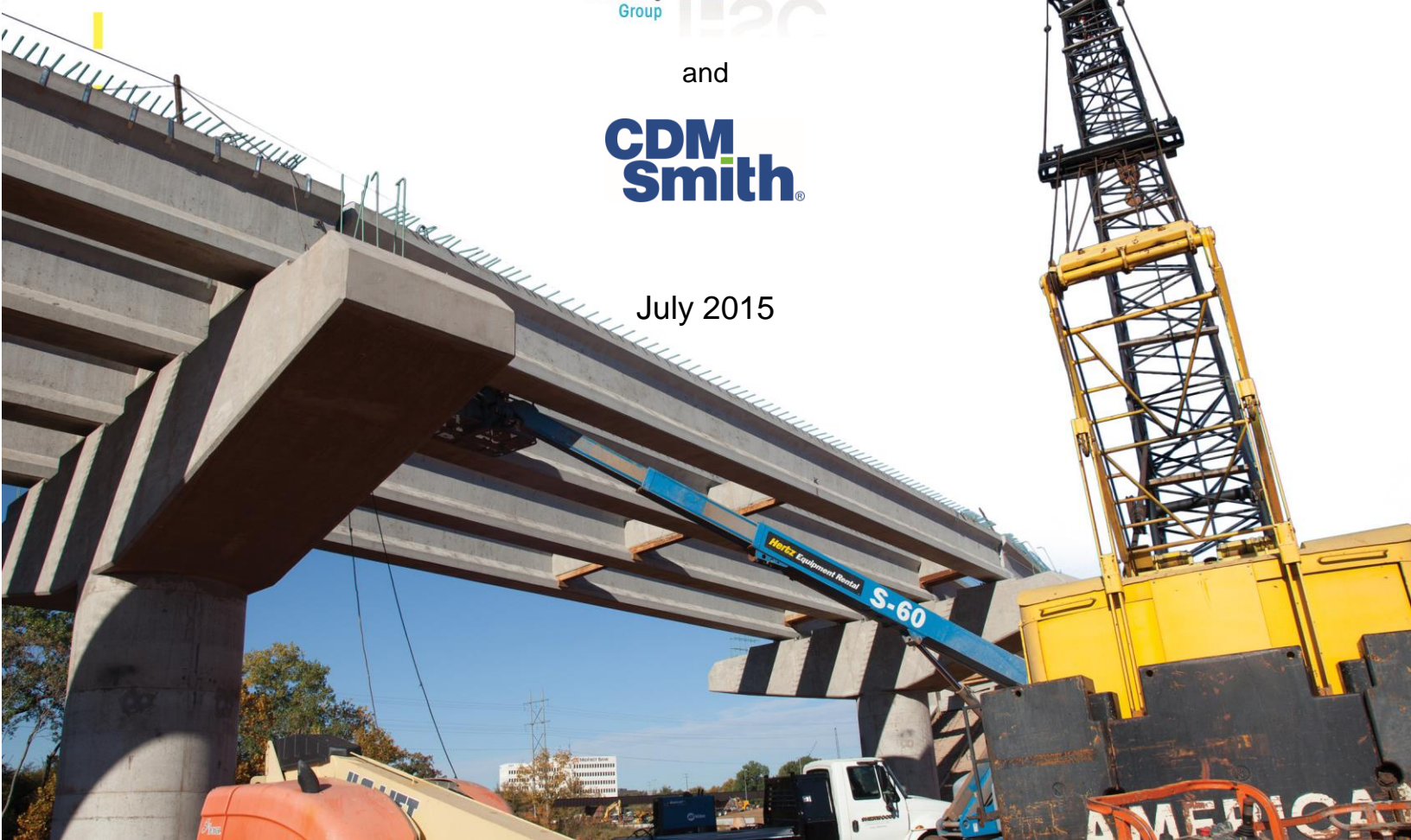
Prepared by:



and



July 2015





The Technical Memos were written to document early research for the 2015-2040 Oklahoma Long Range Transportation Plan (LRTP). Most of these memos were written in 2014; all precede the writing of the 2015-2040 Oklahoma LRTP *Document* and 2015-2040 Oklahoma LRTP *Executive Summary*.

The 2015-2040 Oklahoma LRTP *Document* and 2015-2040 Oklahoma LRTP *Executive Summary* were composed in Spring 2015.

If there is an inconsistency between the Tech Memos and the 2015-2040 Oklahoma LRTP *Document* or 2015-2040 Oklahoma LRTP *Executive Summary*, the reader should assume that the *Document* and *Executive Summary* contain the most current and accurate information.



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# Oklahoma Long Range TRANSPORTATION PLAN

## 1 INTRODUCTION

This technical memorandum sets forth the revenue forecast results for the 2015-2040 Oklahoma Long Range Transportation Plan (LRTP). Under this task, the following subtasks were completed:

1. **Developed a Baseline Revenue Forecast.** Developed a spreadsheet tool<sup>1</sup> and established assumptions to model a baseline revenue forecast of the Oklahoma Department of Transportation's (ODOT) transportation funding for infrastructure investment from FY2016 through FY2040.
2. **Developed Revenue Forecast Scenarios.** Modified the baseline revenue forecast assumptions in the spreadsheet tool to develop three revenue forecast scenarios.
3. **Explored Potential Gap Closing Revenues.** Described revenue examples that could potentially be utilized to help to close the gap between estimated transportation investment needs and anticipated revenues in Oklahoma. Defined and provided an explanation of advantages, disadvantages, and implementation issues generally associated with examples of gap closing revenue options.

Each subtask is described below.

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<sup>1</sup> The spreadsheet tool is a supplement to this technical memorandum.



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# Oklahoma Long Range TRANSPORTATION PLAN

## 2 BASELINE REVENUE FORECAST

The baseline revenue forecast includes state revenues, federal funding, and local matching funds for surface transportation infrastructure investment over the 25-year forecast period of FY2016 through FY2040. To develop the forecast, historic revenues and funding were documented<sup>2</sup>; and then, for each revenue and funding line item, growth rate assumptions for the forecast period were developed in collaboration with ODOT staff.

In brief, the following funds are included in the forecast: state and federal (FHWA) highway and bridge funds; state and federal (FTA) transit funds; state and federal highway assistance to local governments, including counties, cities, and towns; state transit funds to urban transit systems; state and federal funds to rural and tribal transit systems; state funds for passenger rail and for railroad improvements. The forecast does not include the following: locally raised transportation revenues such as city transit subsidies, county taxes or funds for public ports along the Arkansas River system; federal funding for the McClellan Arkansas River Navigation System (MKARNS); airport or aeronautics funding; Oklahoma Turnpike Authority funds.

The primary revenue growth rate assumptions are described below.

- **Federal Funding.** All sources of federal funding remain at FY2014 funding levels, i.e., 0 percent growth in federal funding is assumed. This assumption is based on the future federal transportation funding uncertainty related to solvency issues of the Federal Highway Trust Fund and the lack of a long-term funding act for surface transportation. The most recently enacted surface transportation funding authorization was the Moving Ahead for Progress in the 21st Century Act (MAP-21) which was signed into law in July 2012 and provided funding for federal FY2013 and FY2014. Most recently, Congress passed an extension through July 31, 2015 of surface transportation authorities that would have otherwise expired after September 30, 2014. Based on the funding levels set forth in MAP-21, there is almost no change in the amount of highway, road and bridge funding directed toward states.
- **State Revenues.** State revenues are projected according to specific growth rates for each revenue source. Growth rate assumptions for the primary state revenue sources include the following:

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<sup>2</sup> Historic revenues and funding sources are documented in the spreadsheet tool that is a supplement to this technical memorandum.



- Motor fuel tax revenue growth is based on the Energy Information Administration's (EIA) annual projected growth rates in motor fuel consumption in the United States' West South Central region which includes Oklahoma, Texas, Arkansas, and Louisiana.  
  
EIA's forecast incorporates projected vehicle miles travelled (VMT), fuel efficiency, alternative fuel use, demographics, and macroeconomic factors. Annual growth rates are used in the forecast. The average of those annual growth rates over the forecast period is -0.13 percent.
- Income tax revenue growth through FY2018 is based on dollar amounts set forth in statute; and tax revenue is projected to remain at the FY2018 level (i.e., 0 percent growth) thereafter and through the duration of the forecast period. According to dollar amounts set forth in statute, the income tax revenue increased 17 percent in FY2015 and will increase 14 percent in FY2016, 13 percent in FY2017, and 8 percent in FY2018.
- Motor vehicle registration fee revenue growth is 0.69 percent annually based on the FY2004 to FY2013 compound annual growth rate (CAGR) of motor vehicle registrations in Oklahoma. No change in the fee rates is assumed.
- **Deductions.** Deductions from the revenue forecast are made to account for required debt service payments on currently outstanding debt and an estimate of projected funds that will pay for non-infrastructure related costs such as the administration of ODOT, research, and planning.

The baseline revenue forecast does not assume:

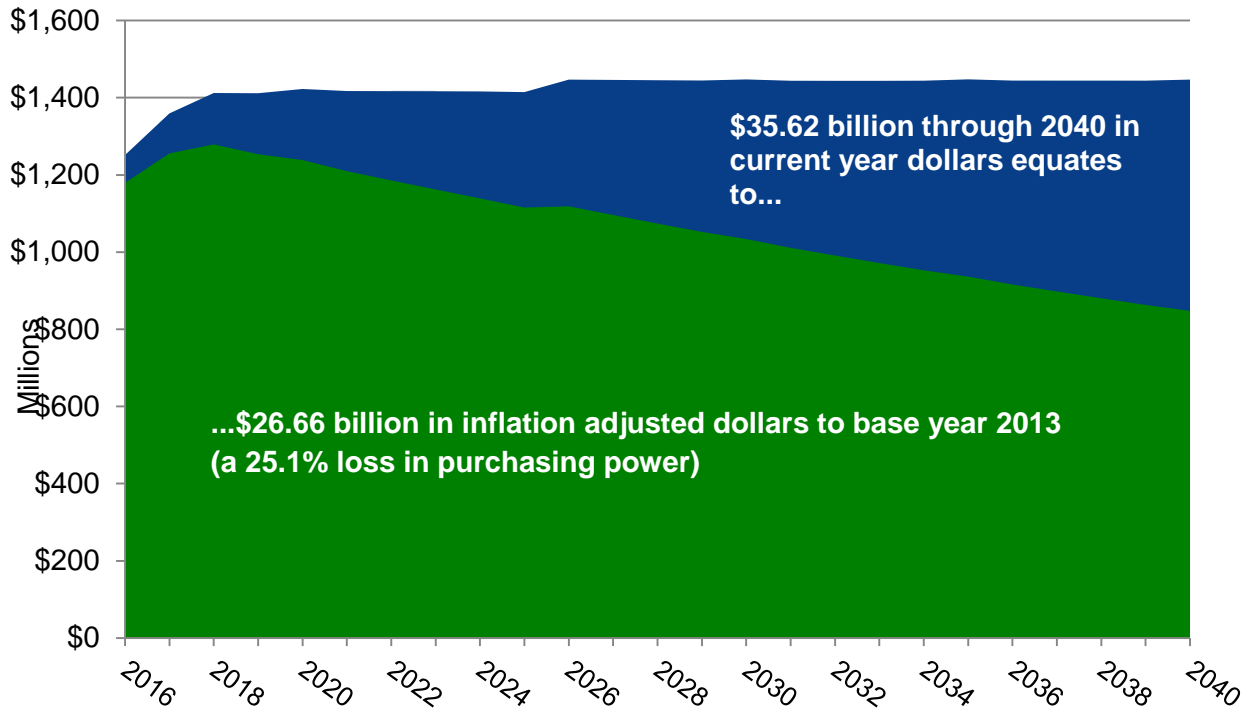
- Any changes to state or federal legislation which stipulate the amount of revenues ODOT receives.
- Any changes in tax rates, fee levels, or existing revenues.
- Receipt of any new revenue sources.
- Receipt of any proceeds from newly issued debt, general revenue appropriations from the State, or other special one-time funding.

**Synthesis.** As shown in Figure 2-1, over the forecast period, it is projected that transportation revenue and funding will total \$35.62 billion in current year dollars which equates to \$26.66 billion in inflation-adjusted dollars. Of the total ODOT (inflation adjusted) revenue expected to be available, \$24.239 billion is the amount available for ODOT bridges, highways, interchanges, and appurtenances. The forecast of ODOT revenue available for Partner Owned Assets and Functions, as described in the Plan documents is \$2.421 billion.





Figure 2-1: Baseline Revenue Forecast, FY2016 through FY2040



The adjustment for inflation assumes a 2 percent annual inflation factor (beginning with the FY 2013 base year) based on recent trends and a review of inflation factors used in other state long range transportation plans. The \$8.96 billion difference, or 25.1 percent cost of inflation, is shown in Figure 1 as the blue area. The \$35.62 billion current year dollar amount is the total blue and green area and the \$26.66 billion inflation-adjusted amount is the green area only.

As stated previously, all sources of federal funding are assumed to remain at the FY2014 level for the duration of the forecast. **Figure 2-1** shows slight upticks in the total revenue line (top of blue area) for FY2018 and FY2026. FY2018 is the last year in which Oklahoma statute provides an increase to the income tax revenue that ODOT receives and, following FY2018, average annual growth in state revenues is very small (0.01 percent). In FY2026, all existing ODOT debt obligations are repaid and the baseline revenue forecast does not assume any new debt issuances.



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# Oklahoma Long Range TRANSPORTATION PLAN

## 3 FUNDING SCENARIOS

Developing funding scenarios is a planning exercise that reviews potential alternative funding futures and the impact on available revenues. The three alternative revenue forecast scenarios developed include:

- **Scenario 1:** Leveraging of Revenues through Bonding
- **Scenario 2:** Replacing Lost Purchasing Power of Motor Fuel Tax Revenue
- **Scenario 3:** Slowing Growth of Income Tax Revenue

As described below, the assumptions of the baseline revenue forecast were modified in the spreadsheet tool to develop each scenario.

### 3.1 SCENARIO 1: LEVERAGING OF REVENUES THROUGH BONDING

Historically, ODOT has utilized bonding to leverage future revenues and advance capital projects. Scenario 1, *Leveraging of Revenues through Bonding*, assumes bonds are issued between FY2017 and FY2026 in years and amounts that keep ODOT’s total annual debt service in line with the Department’s historical levels of total debt service (approximately \$60 million) for the duration of the forecast period. The assumed bond issuances begin in FY2017, as ODOT recently defeased approximately \$100 million in debt, reducing debt service levels on currently outstanding bonds. (Table 3-1)

**Table 3-1: Total Revenue**  
**Baseline and Scenario 1: Leveraging of Revenues through Bonding**  
 (inflation-adjusted dollars, millions)

Revenue Forecast	Total Revenue FY2016 through FY2040
Scenario 1: Leveraging of Revenues through Bonding	\$26,690.8 M
Baseline	\$26,658.9 M
<b>Difference</b>	<b>\$31.9 M</b>

Following these assumptions, Scenario 1 results in total bond proceeds available for capital projects of \$950 million in current year dollars which equates to \$790 million in inflation-adjusted dollars (assumes a 2 percent annual inflation adjustment and a

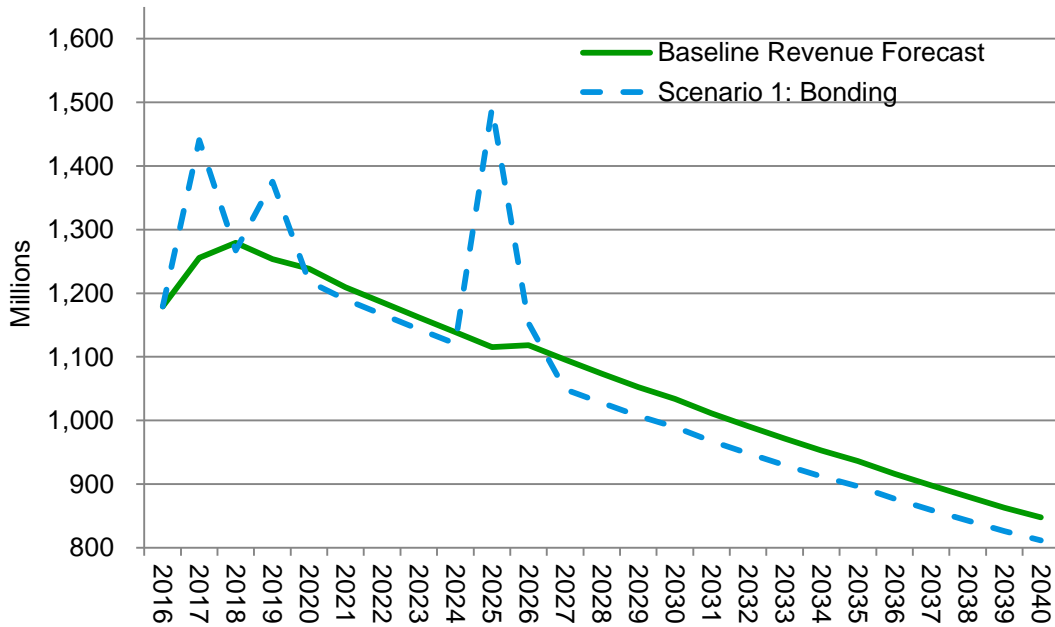


base year of 2013). On average, estimated debt service costs are approximately \$61 million annually, based on a 30-year level debt service amortization period for each bond issuance and a 5 percent interest rate. The amortization period for each bond issuance begins the year following issuance and extends for 30 years.

For example, the initial FY2017 issuance is amortized beginning in FY2018 through FY2047. The estimated total cost of debt service on the new bond issuances through FY2040 is approximately \$1,083.1 billion in current year dollars, which equates to \$758 million in inflation-adjusted dollars. Due to the cost of the debt service associated with Scenario 1, the total inflation-adjusted net revenue of Scenario 1 exceeds the 25-year baseline revenue forecast by \$31.9 million.

While Scenario 1 does not result in a significant difference in total revenues over the term of the forecast period, as shown in **Figure 3-1**, the bond issuances would enable ODOT to advance the availability of capital and thereby complete projects earlier than under a pay-as-you-go approach, and at potentially lower cost.

**Figure 3-1: Projected Annual Net Revenue  
Baseline and Scenario 1: Leveraging of Revenues through Bonding**  
(inflation-adjusted dollars)





### 3.2 SCENARIO 2: REPLACING LOST PURCHASING POWER OF MOTOR FUEL TAX REVENUE

Oklahoma’s taxes on gasoline and diesel fuel are cents-per-gallon excise taxes. Oklahoma first levied a gas tax in 1933 and the last increase was in 1987. The fixed cents-per-gallon structure of the taxes means that the purchasing power of tax revenues declines over time due to inflation. To try to counteract this decline, some states have enacted legislation that indexes their motor fuel tax rates to inflation by adjusting the tax rate on an ongoing basis based on a measure of inflation such as the consumer price index (CPI).

Scenario 2, *Replacing Lost Purchasing Power of Motor Fuel Tax Revenue*, estimates the projected lost purchasing power of the motor fuel tax and assumes that a new revenue source is implemented that would provide this level of revenue to support transportation infrastructure investments in Oklahoma. Scenario 2, therefore, assumes the existence of additional revenues beyond what is included in the baseline revenue forecast which would replace the lost purchasing power of the motor fuel taxes. Under this hypothetical scenario, the source of the new revenue could theoretically be any number or combination of new taxes or fees or increments to existing charges. The new revenue source is assumed to begin generating revenue for ODOT in FY2017.

Motor fuel tax revenues also are projected to decline due to reductions in consumption related to personal travel behavior changes and motor vehicle fuel efficiency improvements. Scenario 2 does not, however, assume that new revenues are generated to replace declines in revenue related to consumption.

As shown in **Table 3-2**, the new revenue source under Scenario 2 is estimated to generate an additional \$835.1 million (in inflation-adjusted dollars, assumes a 2 percent annual inflation adjustment and a base year of FY2013) over the 25-year baseline revenue forecast to replace the lost purchasing power of the motor fuel taxes.

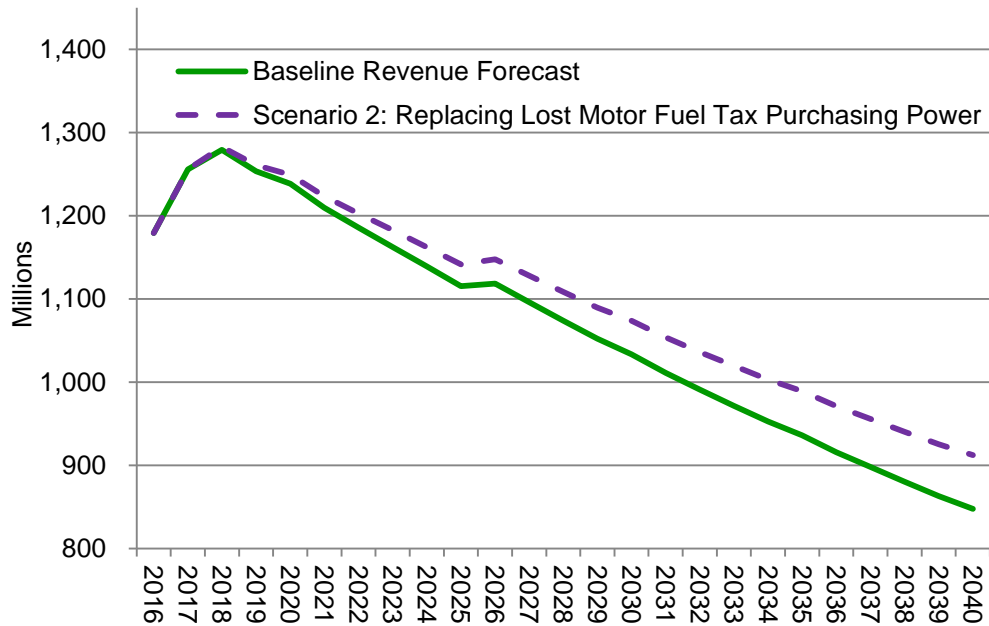
**Table 3-2: Total Revenue**  
**Baseline and Scenario 2: Replacing Lost Purchasing Power of Motor Fuel Tax Revenue**  
(inflation-adjusted dollars, millions)

Revenue Forecast	Total Revenue FY2016 through FY2040
Scenario 2: Replacing Lost Purchasing Power of Motor Fuel Tax Revenue	\$27,494.0 M
Baseline	\$26,658.9 M
<b>Difference</b>	<b>\$835.1 M</b>



Over the duration of the 25-year forecast period, Scenario 2 consistently generates more annual revenue when compared to the baseline revenue forecast. As shown in **Figure 3-2**, these revenues are assumed to begin in FY2017 and continue to FY2040.

**Figure 3-2: Projected Annual Revenue**  
**Baseline Forecast and Scenario 2: Replacing Lost Motor Fuel Tax**  
**Revenue Purchasing Power**  
(inflation-adjusted dollars)





### 3.3 SCENARIO 3: SLOWING GROWTH OF INCOME TAX REVENUE

ODOT receives income tax revenues annually based on dollar amounts established in statute. As set forth in statute, the amount allocated to the ROADS Fund for Highways increases in forecast years FY2016, FY2017, and FY2018 and then remains constant at \$575 million annually to FY2040.

Scenario 3, *Slowing Growth of Income Tax Revenue*, slows the ramp up of income tax revenue provided to ODOT for the ROADS Fund for Highways. For this adjusted/slower increase to occur, the Oklahoma Legislature would need to enact new legislation revising current statute. While still reaching the \$575 million annual level, each year's increase is one-half of what is currently required in statute, thereby stretching out the time horizon to reach \$575 million to FY2021. (The amount of income tax revenue provided to ODOT for the Public Transit Revolving Fund [\$3 million annually] and the Tourism and Passenger Rail Revolving Fund [\$2 million annually] remains unchanged under this scenario.)

As shown in **Table 3-3**, Scenario 3 generates an estimated \$177.6 million (in inflation-adjusted dollars, assumes a 2 percent annual inflation adjustment and a base year of 2013) less than the 25-year baseline revenue forecast.

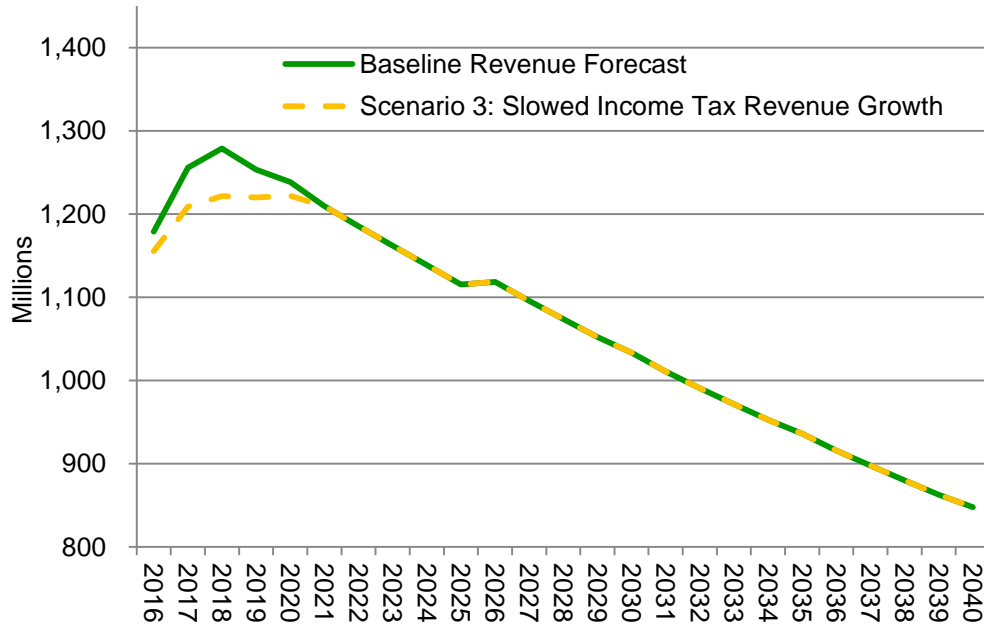
**Table 3-3: Total Revenue**  
**Baseline and Scenario 3: Slowing Growth of Income Tax Revenue**  
(inflation-adjusted dollars, millions)

Revenue Forecast	Total Revenue FY2016 through FY2040
Scenario 3: Slowing Growth of Income Tax Revenue	\$26,481.3 M
Baseline	\$26,658.9 M
<b>Difference</b>	<b>(\$177.6) M</b>



As shown in **Figure 3-3**, the reduced revenue from slowing the growth of the income tax revenue is felt in the short term during the slower growth period until it catches up in FY2021.

**Figure 3-3: Projected Annual Revenue**  
**Baseline Forecast and Scenario 3: Slowing Growth of Income Tax Revenue**  
(inflation-adjusted dollars)







# Oklahoma Long Range TRANSPORTATION PLAN

## 4 POTENTIAL FUNDING GAP CLOSERS

Over the 25-year Oklahoma LRTP forecast period, it is projected that transportation investment needs will exceed available state and federal funding. For illustrative purposes, this section discusses the following select examples of potential additional revenue sources for transportation investment:

- Example 1: Secure Increased Percentage of Motor Vehicle Revenue
- Example 2: Increase Diesel Tax
- Example 3: Freight Fees
- Example 4: Vehicle Miles Traveled (VMT) Fee
- Example 5: Tolling

As a preliminary review of potential revenue options, the discussion of these select examples is intended to facilitate brainstorming as ODOT looks to address future transportation investment needs. To fully address long-term transportation investment costs in a financial sustainably manner, it is likely that ODOT would draw on a combination of increments to existing revenues, new revenue initiatives, and cost savings. Detailed analysis, stakeholder vetting, and thorough discussions would be undertaken prior to implementation of any new revenue option. In addition, each of these options would require specific legislative and potentially voter action prior to implementation.

For each example of a potential additional revenue source for transportation investment, a description of the mechanism is provided. The description is followed by an explanation of advantages, disadvantages, and implementation considerations generally associated with the revenue source. In addition, for the motor vehicle revenue and diesel tax examples, an estimate of revenue potential is provided.

### 4.1 EXAMPLE 1: SECURE INCREASED PERCENTAGE OF MOTOR VEHICLE REVENUE

The State of Oklahoma currently charges various fees and taxes on motor vehicles. These include charges for the registration of automobiles, farm trucks, and commercial vehicles, personalized license plates, house trailer licenses, rental taxes, bus mileage taxes, vehicle title fees, and overweight truck permits, among others.

This example to generate additional revenues for transportation investments would allocate a larger percentage of the revenues collected from these charges to transportation. Current fee levels and tax rates would not be increased under this hypothetical example. Increasing the percentage of these revenues allocated to transportation investments, therefore, would result in a smaller percentage allocated to non-transportation uses.



According to the Oklahoma Tax Commission, in FY2014, approximately 30 percent of the motor vehicle revenue that was collected was distributed to transportation investments and 70 percent was distributed to non-transportation uses which primarily included school districts and the State's general revenue fund.

**Estimated Revenue Potential.** Each additional 10 percent of revenue distributed to transportation would result in an estimated additional \$1.6 billion (in inflation-adjusted dollars) for transportation investment over the 25-year baseline revenue forecast. This assumes a 0.7 percent annual growth in revenues based on the FY2004 to FY2013 CAGR of motor vehicle registrations in Oklahoma.

**Advantages.** Motor vehicle charges have a relationship to transportation infrastructure needs and are well-established as transportation funding sources. In addition, the amount of revenue generated from motor vehicle charges is fairly substantial from relatively small fees per user.

**Disadvantages.** Motor vehicle charges generally do not vary by level of use of the transportation system and, therefore, they do not bear a direct relationship to the level of use of the system or the generation of external costs. In addition, this example would not raise additional revenue overall, resulting in the diversion of revenue from non-transportation uses, that would then require the identification of alternative funding sources.

**Implementation.** Diverting an existing revenue stream rather than implementing a new revenue source, could lead to opposition to the diversion of revenue from the non-transportation uses that are currently funded from this revenue stream. In addition, allocating a larger percentage of motor vehicle revenue to transportation investments would require state legislative action.

## 4.2 EXAMPLE 2: INCREASE DIESEL TAX

The State of Oklahoma currently taxes gasoline at a rate of 17 cents per gallon (cpg) and diesel at a rate of 14 cpg.<sup>3</sup> This example for additional transportation revenue would increase the state diesel tax rate by 3 cpg to 17 cpg, the same rate as imposed on gasoline. The revenues derived from the 3 cpg incremental tax on diesel fuel could be dedicated to improving critical freight routes.

**Estimated Revenue Potential.** An additional 3 cpg tax on diesel fuel could generate an estimated \$607 million (in inflation-adjusted dollars) over the 25-year baseline revenue forecast. This estimate assumes revenue grows based on the EIA's forecast of annual diesel fuel consumption in the West South Central region of the United States (which includes Oklahoma, Texas, Arkansas, and Louisiana).

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<sup>3</sup> The gasoline and diesel fuel tax rates each include a 1 cpg underground storage tank fee.



**Advantages.** Despite the increasing use of high efficiency and alternative fuel vehicles and the projection that vehicle miles traveled will decline, the per gallon diesel tax will continue in the short- and medium-term to be a significant source of transportation revenue. In addition, there is a historical basis for the tax on diesel fuel and it is generally accepted as an appropriate way to fund transportation investment.

Further, by dedicating the proceeds from the 3 cpg tax increase to critical freight routes, the payment of the tax increment is more directly connected to the beneficiaries.

**Disadvantages.** The fixed cents-per-gallon structure of the tax means that the purchasing power of the revenues begins to decline immediately after any increase. In addition, as fuel efficiency and alternative fuel use increases and vehicle miles traveled decline, albeit at a slower rate for trucks than cars, consumption of diesel fuel and thereby revenues will decline.

**Implementation.** As an increment to an existing tax, the administration and implementation procedures are in place and increasing the tax rate would not create any additional administrative burden. The revenue associated with the additional 3 cpg tax, however, would need to be segregated to ensure its expenditure on designated purposes (i.e., freight routes in this example). The separation of these tax revenues should be possible through the Oklahoma Tax Commissions existing practices. Increasing the diesel fuel tax would require state legislative action.

### 4.3 EXAMPLE 3: FREIGHT FEES AND TAXES

Various revenue examples that specifically target freight-related activities are conceivable. Freight fee and tax examples that Oklahoma could consider include the following:

- *Container Fee.* A fee could be established on some or all containers that move through Oklahoma.
- *Freight Waybill Tax.* A sales tax could be imposed on freight shipping costs.
- *Weight and Distance Tax.* An excise tax could be imposed on either the weight of freight moved (a ton-based tax) or as a function of both weight and distance (a ton-mile tax).

**Advantages.** Freight fee and tax revenue options can generate moderate to significant amounts of revenue and provide a linkage between the system's users with the most impact (heavy trucks) to taxes paid.

**Disadvantages.** Freight fee and tax revenue options would likely face opposition from trucking/rail companies and shippers. Depending on how the fee or tax is structured, such options could lead to equity-related concerns.



**Implementation.** Freight fee and tax revenue options would generally require new administrative and compliance protocols. In addition, implementation would require state legislative action.

#### **4.4 EXAMPLE 4: VEHICLE MILES TRAVELED (VMT) FEE**

A vehicle miles traveled (VMT) fee would charge drivers for the total number of miles traveled. As opposed to tolls, which are facility specific and not necessarily levied strictly on a per-mile basis, VMT fees are based on the distance driven on a defined network of roadways. The fee can be charged in a number of ways such as measuring odometer changes through additional on-board equipment or on-board global positioning satellite system equipment and wireless communication devices. The most prominent example of implementation to date has been in Oregon where a pilot program was conducted in 2012. In 2013 the Oregon Legislature passed Senate Bill 810, the first legislation in the United States to establish a road usage charge system for transportation funding. Oregon SB 810 authorizes the Oregon DOT to set up a mileage collection system for 5,000 volunteer motorists beginning July 1, 2015. The Oregon DOT may assess a charge of 1.5 cents per mile for up to 5,000 volunteer cars and light commercial vehicles and issue a gas tax refund to those participants. This is not another pilot program but rather the start of an alternate method of generating transportation revenue from specific vehicles to pay for Oregon highways. VMT fees also have been considered as an alternative to the fuel tax at the national level, with two Congressional commissions recommending long-term VMT fee implementation. To date, however, no specific action or legislation has been taken to implement VMT fees at the national level.

**Advantages.** VMT fees generate a highly sustainable revenue stream as they are not influenced by increasing vehicle fuel efficiency or use of alternative fuels. In addition, due to VMT fees' relationship with system use and the alignment of user benefits with payment by users of the road network paying the mileage charges, the revenues are appropriate for dedication to transportation investment. VMT pricing also could be set to cover the full costs of using the transportation system and thereby lead to more efficient use of the system or incorporate incentives to manage congestion, such as variable rates based on time-of-day, roadway, or a combination of factors.

**Disadvantages.** There are limited examples of VMT fee implementation to date, although other states are beginning to show more interest. The necessary timeframe to implement VMT fees prevents this option from being a solution in the short term. Transition to a VMT system could be costly due to the need to change collection, enforcement, and administrative processes.

**Implementation.** There is limited real-world experience with implementation and enforcement of VMT fee pricing. VMT fee implementation faces complex institutional and administrative challenges associated with the new technology and pricing



scheme although technology is rapidly advancing. In addition, such a shift in emphasis from taxing fuels to taxing distance traveled will represent a major change to the traveling public and require public education. Despite a universal consumer trend toward trading personal data for convenience, there is some concern over the amount of personally identifiable information that would need to be obtained during the process to verify a driver's mileage. Advances in other technology for machine-to-machine networking could soon offer privacy solutions.

## 4.5 EXAMPLE 5: TOLLING

There are 10 turnpikes in Oklahoma covering 606 miles and this system is maintained by the Oklahoma Turnpike Authority. According to the Oklahoma Turnpike Authority's 2013 Comprehensive Annual Financial Report, the tolled turnpike system generated \$232.7 million in toll revenue in FY2013. The Authority's toll revenues are primarily expended on the turnpike system, with approximately \$40 million annually transferred to ODOT for other state transportation investments. All of Oklahoma's turnpikes are controlled-access and tolls are collected through several methods, particular to each turnpike, involving mainline and side gate toll plazas. Tolls can be paid through cash or through the Pikepass transponder system.

Oklahoma could potentially toll additional facilities—existing or new—as a means to generate additional revenues for transportation. Oklahoma also could potentially toll its interstates; however, such authority is limited by the federal government. The Federal-aid Highway Program, governed by Title 23 of the United States Code, offers states and/or other public entities the following programs to toll motor vehicles to finance interstate construction and reconstruction:<sup>4</sup>

- Title 23 United States Code Section 129 General Tolling Program, including the Express Lanes Demonstration Program and the Interstate System Construction Toll Pilot Program
- High Occupancy Vehicle (HOV) Facilities
- Interstate System Reconstruction & Rehabilitation Pilot Program
- Value Pricing Pilot (VPP) Program

**Advantages.** Tolls can raise substantial revenues but only in areas where traffic volumes make it cost-effective to implement. Once established, revenues from toll facilities tend to be relatively stable and well-suited to re-invest in transportation. Toll rates, if adjusted regularly, also can be sustainable and keep pace with inflation. Electronic toll collection can improve compliance enforcement and offer user benefits such as improved travel speeds and toll discounts. If toll rates are set to manage

<sup>4</sup> FHWA. Toll Roads in the United States: History and Current Policy.  
<http://www.fhwa.dot.gov/policyinformation/tollpage/documents/history.pdf>



congestion, tolling can help maximize the efficiency of the existing network. There can be reasonable income equity if non-toll alternatives are viable. Tolls establish a high level of user-beneficiary equity if the toll rates reflect the benefits derived by the user. Additionally, tolls are paid by non-residents as well as residents of the State, thereby generating revenue from all beneficiaries.

**Disadvantages.** As a general rule, facility-level tolling is not a broad-based means for raising transportation revenues in rural areas with low traffic volumes. In addition, in areas where neither transit nor non-tolled highway options are available, all highway users pay more and lower-income drivers are potentially disproportionately affected. Tolling also can result in the possible diversion of traffic to less safe, lower-order roads, depending on the toll rates and the location/condition of alternative routes.

Further, there is a comparatively higher capital and administrative cost associated with toll collection than non-tolled facilities. Tolls may have negative impacts on non-discretionary system users, such as some freight travel or others who have minimal options to change the time, location, or mode of travel.

**Implementation.** In some cases, there can be significant upfront political and public resistance to facility-level tolling that creates substantial implementation barriers, particularly in cases where existing facilities are being converted to tolled facilities. Tolling of new facilities or expanded capacity on existing facilities tends to gain broader public and political support. Oklahoma Turnpike Authority's systems could likely incorporate additional facilities into enforcement and administrative practices with manageable incremental cost.



# Oklahoma Long Range TRANSPORTATION PLAN

## 5 CONCLUSION

The Oklahoma LRTP revenue forecast task examines the projected long-term transportation state and federal funding in Oklahoma. As shown by the baseline revenue forecast, one of the primary sources of transportation revenue—motor fuel taxes—is projected to decline over time due to lost purchasing power related to inflation and reductions in consumption related to personal travel behavior changes and motor vehicle fuel efficiency improvements. These trends exemplify the benefits of routinely updating long-term revenue projections.

This examination of state and federal funding provides an opportunity for ODOT to ask ‘what if’ by not only looking at potential alternative revenue forecast scenarios — with both positive and negative revenue results — but also looking at potential new revenue sources. Asking these questions and assessing potential options will help ODOT ensure a safe and efficient transportation system is maintained and expanded to meet future travel demands.



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**BASELINE FORECAST**

	State Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020
		Actual	Actual	Actual	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
<b>State Funding</b>										
Motor Fuel Tax - STF - Highways		105,269,270	202,416,899	206,405,702	195,328,227	184,901,463	185,727,448	185,430,908	184,955,322	184,420,104
Motor Fuel Tax - OTA Transfer		41,074,887	41,340,937	41,712,534	40,000,000	40,405,745	40,586,244	40,521,442	40,417,514	40,300,555
Motor Fuel Tax - High Priority Bridge Fund		6,171,755	6,047,108	6,130,546	6,000,000	6,060,862	6,087,937	6,078,216	6,062,627	6,045,083
<b>Motor Fuel Tax Variable Amounts Subtotal</b>		<b>152,515,912</b>	<b>249,804,944</b>	<b>254,248,782</b>	<b>241,328,227</b>	<b>231,368,069</b>	<b>232,401,628</b>	<b>232,030,566</b>	<b>231,435,464</b>	<b>230,765,743</b>
Port of Entry Capital Improvements		6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
STF - Transit - Annual Appropriation		1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Public Transit Revolving Fund		850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000
Tourism & Passenger Rail Revolving Fund		850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000
<b>Motor Fuel Tax Statutory Dollar Amounts Subtotal</b>		<b>9,600,000</b>	<b>9,600,000</b>	<b>9,600,000</b>	<b>9,600,000</b>	<b>9,600,000</b>	<b>9,600,000</b>	<b>9,600,000</b>	<b>9,600,000</b>	<b>9,600,000</b>
<b>Motor Fuel Tax Total</b>		<b>162,115,912</b>	<b>259,404,944</b>	<b>263,848,782</b>	<b>250,928,227</b>	<b>240,968,069</b>	<b>242,001,628</b>	<b>241,630,566</b>	<b>241,035,464</b>	<b>240,365,743</b>
					17%	14%	13%	8%		
Income Tax - ROADS Fund - Highways		250,700,000	292,400,000	352,100,000	411,800,000	471,500,000	531,200,000	575,000,000	575,000,000	575,000,000
Income Tax - Public Transit Revolving Fund		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Income Tax - Tourism & Passenger Rail Revolving Fund		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
<b>Income Tax Total</b>		<b>255,700,000</b>	<b>297,400,000</b>	<b>357,100,000</b>	<b>416,800,000</b>	<b>476,500,000</b>	<b>536,200,000</b>	<b>580,000,000</b>	<b>580,000,000</b>	<b>580,000,000</b>
Oklahoma Capital Improvement Authority Bond Issuance Proceeds		70,000,000	0	0	0	0	0	0	0	0
Planned Sales of State-Owned Rail Property		0	0	0	0	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Motor Veh. Reg. Fees - County Improvements for Roads & Bridges Program		101,215,155	104,403,778	132,426,494	139,000,000	89,959,100	120,000,000	120,000,000	120,000,000	120,000,000
Motor Veh. Reg. Fee Penalties		0	0	7,231,277	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Weigh Station Revolving Fund		7,978,236	12,428,893	12,073,774	8,500,000	(17,500,000)	8,500,000	8,500,000	8,500,000	8,500,000
Freight Car Tax - Railroad Maintenance Revenue Fund		741,459	764,883	837,887	562,880	562,880	562,880	562,880	562,880	0
<b>Other Funding and Revenues Total</b>		<b>179,934,850</b>	<b>117,597,554</b>	<b>152,569,432</b>	<b>154,062,880</b>	<b>81,021,980</b>	<b>137,062,880</b>	<b>137,062,880</b>	<b>137,062,880</b>	<b>136,500,000</b>
<b>Total State Funding</b>		<b>597,750,762</b>	<b>674,402,498</b>	<b>773,518,214</b>	<b>821,791,107</b>	<b>798,490,049</b>	<b>915,264,508</b>	<b>958,693,446</b>	<b>958,098,344</b>	<b>956,865,743</b>
<b>Federal Funding</b>										
<b>Highway and Bridge Obligation Limitation</b>		<b>580,700,000</b>	<b>605,000,000</b>	<b>604,059,900</b>	<b>604,059,900</b>	<b>604,059,900</b>	<b>604,059,900</b>	<b>604,059,900</b>	<b>604,059,900</b>	<b>604,059,900</b>
<b>Major Programs</b>										
National Highway Performance Program (NHPH)				279,556,150	279,556,150	279,556,150	279,556,150	279,556,150	279,556,150	279,556,150
Surface Transportation Program (STP)				96,084,745	96,084,745	96,084,745	96,084,745	96,084,745	96,084,745	96,084,745
Congestion Mitigation and Air Quality Improvement Program (CMAQ)				8,598,885	8,598,885	8,598,885	8,598,885	8,598,885	8,598,885	8,598,885
Highway Safety Improvement Program (HSIP)				23,541,824	23,541,824	23,541,824	23,541,824	23,541,824	23,541,824	23,541,824
<b>Federally Required Allocations</b>				<b>76,038,296</b>	<b>76,038,296</b>	<b>76,038,296</b>	<b>76,038,296</b>	<b>76,038,296</b>	<b>76,038,296</b>	<b>76,038,296</b>
<b>ODOT Determined Allocations</b>				<b>120,240,000</b>	<b>120,240,000</b>	<b>120,240,000</b>	<b>120,240,000</b>	<b>120,240,000</b>	<b>120,240,000</b>	<b>120,240,000</b>
<b>Transit</b>		20,384,348	17,426,199	16,999,697	19,012,812	15,012,812	15,012,812	15,012,812	15,012,812	17,512,812
<b>Total Federal Funding</b>		<b>601,084,348</b>	<b>622,426,199</b>	<b>621,059,597</b>	<b>623,072,712</b>	<b>619,072,712</b>	<b>619,072,712</b>	<b>619,072,712</b>	<b>619,072,712</b>	<b>621,572,712</b>
<b>Total Required Local Match</b>		<b>33,235,475</b>	<b>35,113,309</b>	<b>35,196,106</b>	<b>34,209,221</b>	<b>33,209,221</b>	<b>33,209,221</b>	<b>33,209,221</b>	<b>33,209,221</b>	<b>33,834,221</b>
<b>Total Federal Funding Including Local Match</b>		<b>634,319,823</b>	<b>657,539,508</b>	<b>656,255,703</b>	<b>657,281,933</b>	<b>652,281,933</b>	<b>652,281,933</b>	<b>652,281,933</b>	<b>652,281,933</b>	<b>655,406,933</b>
<b>Total State and Federal Funding</b>		<b>1,198,835,110</b>	<b>1,296,828,697</b>	<b>1,394,577,811</b>	<b>1,444,863,819</b>	<b>1,417,562,761</b>	<b>1,534,337,221</b>	<b>1,577,766,158</b>	<b>1,577,171,056</b>	<b>1,578,438,455</b>
<b>Total State and Federal Funding Including Local Match</b>		<b>1,232,070,585</b>	<b>1,331,942,007</b>	<b>1,429,773,917</b>	<b>1,479,073,040</b>	<b>1,450,771,983</b>	<b>1,567,546,442</b>	<b>1,610,975,379</b>	<b>1,610,380,277</b>	<b>1,612,272,676</b>
<b>Deductions for Existing Debt Service</b>										
Oklahoma Capital Improvement Authority (OCIA) Debt Service		33,543,015	38,447,919	35,971,788	39,204,546	36,434,743	39,214,208	39,220,483	39,220,933	39,038,613
CIP Debt Service		27,375,358	11,863,291	11,358,296	10,570,255					
GARVEE Debt Service		27,386,054	27,371,358	27,322,709	27,267,063	18,604,592	15,086,850	8,693,781	8,693,656	
<b>Total Debt Service</b>		<b>88,304,427</b>	<b>77,682,568</b>	<b>74,652,793</b>	<b>77,041,864</b>	<b>55,039,335</b>	<b>54,301,058</b>	<b>47,914,264</b>	<b>47,914,589</b>	<b>39,038,613</b>
<b>Total State Funding after Debt Service</b>		<b>536,832,389</b>	<b>624,091,288</b>	<b>726,188,130</b>	<b>772,016,306</b>	<b>762,055,306</b>	<b>876,050,300</b>	<b>919,472,963</b>	<b>918,877,411</b>	<b>917,827,130</b>
<b>Total Federal Funding including Local Match after Debt Service</b>		<b>606,933,769</b>	<b>630,168,150</b>	<b>628,932,994</b>	<b>630,014,870</b>	<b>633,677,341</b>	<b>637,195,083</b>	<b>643,588,152</b>	<b>643,588,277</b>	<b>655,406,933</b>
<b>Total Funding After Debt Service</b>		<b>1,143,766,158</b>	<b>1,254,259,439</b>	<b>1,355,121,124</b>	<b>1,402,031,176</b>	<b>1,395,732,648</b>	<b>1,513,245,384</b>	<b>1,563,061,115</b>	<b>1,562,465,688</b>	<b>1,573,234,063</b>
<b>Deductions for Planning, Research, and Operating/Administrative Costs</b>										
Oklahoma DOT Administrative Costs		155,415,198	141,624,525	154,703,643	164,358,221	127,758,048	137,289,676	134,217,082	134,133,768	133,961,204
Federal Research and Planning Funding		15,964,628	16,046,532	16,720,694	16,720,694	16,720,694	16,720,694	16,720,694	16,720,694	16,720,694
<b>Total Planning &amp; Research Funding and OKDOT Administrative Costs</b>		<b>171,379,826</b>	<b>157,671,057</b>	<b>171,424,337</b>	<b>181,078,915</b>	<b>144,479,102</b>	<b>154,010,370</b>	<b>150,937,776</b>	<b>150,854,462</b>	<b>150,681,898</b>
<b>TOTAL FUNDING after Debt Service &amp; Planning Research Admin</b>		<b>972,386,332</b>	<b>1,096,588,382</b>	<b>1,183,696,787</b>	<b>1,220,952,261</b>	<b>1,251,253,546</b>	<b>1,359,235,013</b>	<b>1,412,123,339</b>	<b>1,411,611,226</b>	<b>1,422,552,165</b>
<b>TOTAL FUNDING Present Value in 2013 Dollars</b>		<b>972,386,332</b>	<b>1,096,588,382</b>	<b>1,160,487,046</b>	<b>1,173,541,197</b>	<b>1,179,084,162</b>	<b>1,255,723,050</b>	<b>1,279,003,615</b>	<b>1,253,470,371</b>	<b>1,238,417,267</b>

**BASELINE FORECAST**

State Fiscal Year	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
<b>State Funding</b>							
Motor Fuel Tax - STF - Highways	183,802,421	183,155,737	182,481,093	181,636,830	180,836,326	180,017,600	179,275,319
Motor Fuel Tax - OTA Transfer	40,165,576	40,024,258	39,876,831	39,692,338	39,517,407	39,338,494	39,176,287
Motor Fuel Tax - High Priority Bridge Fund	6,024,836	6,003,639	5,981,525	5,953,851	5,927,611	5,900,774	5,876,443
Motor Fuel Tax Variable Amounts Subtotal	229,992,833	229,183,634	228,339,448	227,283,019	226,281,344	225,256,868	224,328,049
Port of Entry Capital Improvements	6,000,000	6,000,000	6,000,000	6,000,000	2,500,000	0	0
STF - Transit - Annual Appropriation	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Public Transit Revolving Fund	850,000	850,000	850,000	850,000	850,000	850,000	850,000
Tourism & Passenger Rail Revolving Fund	850,000	850,000	850,000	850,000	850,000	850,000	850,000
Motor Fuel Tax Statutory Dollar Amounts Subtotal	9,600,000	9,600,000	9,600,000	9,600,000	6,100,000	3,600,000	3,600,000
Motor Fuel Tax Total	239,592,833	238,783,634	237,939,448	236,883,019	232,381,344	228,856,868	227,928,049
Income Tax - ROADS Fund - Highways	575,000,000	575,000,000	575,000,000	575,000,000	575,000,000	575,000,000	575,000,000
Income Tax - Public Transit Revolving Fund	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Income Tax - Tourism & Passenger Rail Revolving Fund	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Income Tax Total	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000
Oklahoma Capital Improvement Authority Bond Issuance Proceeds	0	0	0	0	0	0	0
Planned Sales of State-Owned Rail Property	0	0	0	0	0	0	0
Motor Veh. Reg. Fees - County Improvements for Roads & Bridges Program	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000
Motor Veh. Reg. Fee Penalties	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Weigh Station Revolving Fund	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000
Freight Car Tax - Railroad Maintenance Revenue Fund	0	0	0	0	0	0	0
Other Funding and Revenues Total	134,500,000	134,500,000	134,500,000	134,500,000	134,500,000	134,500,000	134,500,000
<b>Total State Funding</b>	<b>954,092,833</b>	<b>953,283,634</b>	<b>952,439,448</b>	<b>951,383,019</b>	<b>946,881,344</b>	<b>943,356,868</b>	<b>942,428,049</b>
<b>Federal Funding</b>							
<b>Highway and Bridge Obligation Limitation</b>	<b>604,059,900</b>	<b>604,059,900</b>	<b>604,059,900</b>	<b>604,059,900</b>	<b>604,059,900</b>	<b>604,059,900</b>	<b>604,059,900</b>
Major Programs							
National Highway Performance Program (NHP)	279,556,150	279,556,150	279,556,150	279,556,150	279,556,150	279,556,150	279,556,150
Surface Transportation Program (STP)	96,084,745	96,084,745	96,084,745	96,084,745	96,084,745	96,084,745	96,084,745
Congestion Mitigation and Air Quality Improvement Program (CMAQ)	8,598,885	8,598,885	8,598,885	8,598,885	8,598,885	8,598,885	8,598,885
Highway Safety Improvement Program (HSIP)	23,541,824	23,541,824	23,541,824	23,541,824	23,541,824	23,541,824	23,541,824
Federally Required Allocations	76,038,296	76,038,296	76,038,296	76,038,296	76,038,296	76,038,296	76,038,296
ODOT Determined Allocations	120,240,000	120,240,000	120,240,000	120,240,000	120,240,000	120,240,000	120,240,000
Transit	15,012,812	15,012,812	15,012,812	15,012,812	17,512,812	15,012,812	15,012,812
<b>Total Federal Funding</b>	<b>619,072,712</b>	<b>619,072,712</b>	<b>619,072,712</b>	<b>619,072,712</b>	<b>621,572,712</b>	<b>619,072,712</b>	<b>619,072,712</b>
<b>Total Required Local Match</b>	<b>33,209,221</b>	<b>33,209,221</b>	<b>33,209,221</b>	<b>33,209,221</b>	<b>33,834,221</b>	<b>33,209,221</b>	<b>33,209,221</b>
<b>Total Federal Funding Including Local Match</b>	<b>652,281,933</b>	<b>652,281,933</b>	<b>652,281,933</b>	<b>652,281,933</b>	<b>655,406,933</b>	<b>652,281,933</b>	<b>652,281,933</b>
<b>Total State and Federal Funding</b>	<b>1,573,165,546</b>	<b>1,572,356,346</b>	<b>1,571,512,161</b>	<b>1,570,455,731</b>	<b>1,568,454,056</b>	<b>1,562,429,581</b>	<b>1,561,500,762</b>
<b>Total State and Federal Funding Including Local Match</b>	<b>1,606,374,767</b>	<b>1,605,565,567</b>	<b>1,604,721,382</b>	<b>1,603,664,952</b>	<b>1,602,288,277</b>	<b>1,595,638,802</b>	<b>1,594,709,983</b>
<b>Deductions for Existing Debt Service</b>							
Oklahoma Capital Improvement Authority (OCIA) Debt Service	38,858,410	38,443,801	38,003,314	37,528,573	38,507,620		
CIP Debt Service							
GARVEE Debt Service							
<b>Total Debt Service</b>	<b>38,858,410</b>	<b>38,443,801</b>	<b>38,003,314</b>	<b>37,528,573</b>	<b>38,507,620</b>	<b>-</b>	<b>-</b>
<b>Total State Funding after Debt Service</b>	<b>915,234,423</b>	<b>914,839,833</b>	<b>914,436,134</b>	<b>913,854,446</b>	<b>908,373,724</b>	<b>943,356,868</b>	<b>942,428,049</b>
<b>Total Federal Funding including Local Match after Debt Service</b>	<b>652,281,933</b>	<b>652,281,933</b>	<b>652,281,933</b>	<b>652,281,933</b>	<b>655,406,933</b>	<b>652,281,933</b>	<b>652,281,933</b>
<b>Total Funding After Debt Service</b>	<b>1,567,516,357</b>	<b>1,567,121,766</b>	<b>1,566,718,068</b>	<b>1,566,136,379</b>	<b>1,563,780,657</b>	<b>1,595,638,802</b>	<b>1,594,709,983</b>
<b>Deductions for Planning, Research, and Operating/Administrative Costs</b>							
Oklahoma DOT Administrative Costs	133,572,997	133,459,709	133,341,523	133,193,623	132,563,388	132,069,962	131,939,927
Federal Research and Planning Funding	16,720,694	16,720,694	16,720,694	16,720,694	16,720,694	16,720,694	16,720,694
<b>Total Planning &amp; Research Funding and OKDOT Administrative Costs</b>	<b>150,293,691</b>	<b>150,180,403</b>	<b>150,062,217</b>	<b>149,914,317</b>	<b>149,284,082</b>	<b>148,790,656</b>	<b>148,660,621</b>
<b>TOTAL FUNDING after Debt Service &amp; Planning Research Admin</b>	<b>1,417,222,666</b>	<b>1,416,941,363</b>	<b>1,416,655,851</b>	<b>1,416,222,062</b>	<b>1,414,496,575</b>	<b>1,446,848,146</b>	<b>1,446,049,362</b>
<b>TOTAL FUNDING Present Value in 2013 Dollars</b>	<b>1,209,585,899</b>	<b>1,185,633,147</b>	<b>1,162,151,219</b>	<b>1,139,015,060</b>	<b>1,115,320,896</b>	<b>1,118,460,676</b>	<b>1,095,924,696</b>

**BASILINE FORECAST**

State Fiscal Year	2028 Forecast	2029 Forecast	2030 Forecast	2031 Forecast	2032 Forecast	2033 Forecast	2034 Forecast	2035 Forecast	2036 Forecast
<b>State Funding</b>									
Motor Fuel Tax - STF - Highways	178,497,994	177,884,152	177,533,345	177,309,069	177,117,232	177,119,676	177,406,551	177,730,062	177,687,667
Motor Fuel Tax - OTA Transfer	39,006,421	38,872,281	38,795,620	38,746,610	38,704,689	38,705,223	38,767,913	38,838,608	38,829,344
Motor Fuel Tax - High Priority Bridge Fund	5,850,963	5,830,842	5,819,343	5,811,992	5,805,703	5,805,783	5,815,187	5,825,791	5,824,402
Motor Fuel Tax Variable Amounts Subtotal	223,355,378	222,587,274	222,148,308	221,867,671	221,627,624	221,630,683	221,989,651	222,394,462	222,341,413
Port of Entry Capital Improvements	0	0	0	0	0	0	0	0	0
STF - Transit - Annual Appropriation	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Public Transit Revolving Fund	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000
Tourism & Passenger Rail Revolving Fund	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000
Motor Fuel Tax Statutory Dollar Amounts Subtotal	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000
Motor Fuel Tax Total	226,955,378	226,187,274	225,748,308	225,467,671	225,227,624	225,230,683	225,589,651	225,994,462	225,941,413
Income Tax - ROADS Fund - Highways	575,000,000	575,000,000	575,000,000	575,000,000	575,000,000	575,000,000	575,000,000	575,000,000	575,000,000
Income Tax - Public Transit Revolving Fund	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Income Tax - Tourism & Passenger Rail Revolving Fund	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Income Tax Total	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000	580,000,000
Oklahoma Capital Improvement Authority Bond Issuance Proceeds	0	0	0	0	0	0	0	0	0
Planned Sales of State-Owned Rail Property	0	0	0	0	0	0	0	0	0
Motor Veh. Reg. Fees - County Improvements for Roads & Bridges Program	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000
Motor Veh. Reg. Fee Penalties	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Weigh Station Revolving Fund	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000
Freight Car Tax - Railroad Maintenance Revenue Fund	0	0	0	0	0	0	0	0	0
Other Funding and Revenues Total	134,500,000	134,500,000	134,500,000	134,500,000	134,500,000	134,500,000	134,500,000	134,500,000	134,500,000
Total State Funding	941,455,378	940,687,274	940,248,308	939,967,671	939,727,624	939,730,683	940,089,651	940,494,462	940,441,413
<b>Federal Funding</b>									
Highway and Bridge Obligation Limitation	604,059,900	604,059,900	604,059,900	604,059,900	604,059,900	604,059,900	604,059,900	604,059,900	604,059,900
Major Programs									
National Highway Performance Program (NHPPI)	279,556,150	279,556,150	279,556,150	279,556,150	279,556,150	279,556,150	279,556,150	279,556,150	279,556,150
Surface Transportation Program (STP)	96,084,745	96,084,745	96,084,745	96,084,745	96,084,745	96,084,745	96,084,745	96,084,745	96,084,745
Congestion Mitigation and Air Quality Improvement Program (CMAQ)	8,598,885	8,598,885	8,598,885	8,598,885	8,598,885	8,598,885	8,598,885	8,598,885	8,598,885
Highway Safety Improvement Program (HSIP)	23,541,824	23,541,824	23,541,824	23,541,824	23,541,824	23,541,824	23,541,824	23,541,824	23,541,824
Federally Required Allocations	76,038,296	76,038,296	76,038,296	76,038,296	76,038,296	76,038,296	76,038,296	76,038,296	76,038,296
ODOT Determined Allocations	120,240,000	120,240,000	120,240,000	120,240,000	120,240,000	120,240,000	120,240,000	120,240,000	120,240,000
Transit	15,012,812	15,012,812	17,512,812	15,012,812	15,012,812	15,012,812	15,012,812	17,512,812	15,012,812
Total Federal Funding	619,072,712	619,072,712	621,572,712	619,072,712	619,072,712	619,072,712	619,072,712	621,572,712	619,072,712
Total Required Local Match	33,209,221	33,209,221	33,834,221	33,209,221	33,209,221	33,209,221	33,209,221	33,834,221	33,209,221
Total Federal Funding Including Local Match	652,281,933	652,281,933	655,406,933	652,281,933	652,281,933	652,281,933	652,281,933	655,406,933	652,281,933
Total State and Federal Funding	1,560,528,090	1,559,759,987	1,561,821,020	1,559,040,383	1,558,800,337	1,558,803,395	1,559,162,363	1,562,067,174	1,559,514,125
Total State and Federal Funding including Local Match	1,593,737,311	1,592,969,208	1,595,655,241	1,592,249,604	1,592,009,558	1,592,012,616	1,592,371,584	1,595,901,395	1,592,723,346
<b>Deductions for Existing Debt Service</b>									
Oklahoma Capital Improvement Authority (OCIA) Debt Service									
CIP Debt Service									
GARVEE Debt Service									
Total Debt Service	-	-	-	-	-	-	-	-	-
Total State Funding after Debt Service	941,455,378	940,687,274	940,248,308	939,967,671	939,727,624	939,730,683	940,089,651	940,494,462	940,441,413
Total Federal Funding including Local Match after Debt Service	652,281,933	652,281,933	655,406,933	652,281,933	652,281,933	652,281,933	652,281,933	655,406,933	652,281,933
Total Funding After Debt Service	1,593,737,311	1,592,969,208	1,595,655,241	1,592,249,604	1,592,009,558	1,592,012,616	1,592,371,584	1,595,901,395	1,592,723,346
<b>Deductions for Planning, Research, and Operating/Administrative Costs</b>									
Oklahoma DOT Administrative Costs	131,803,753	131,696,218	131,634,763	131,595,474	131,561,867	131,562,296	131,612,551	131,669,225	131,661,798
Federal Research and Planning Funding	16,720,694	16,720,694	16,720,694	16,720,694	16,720,694	16,720,694	16,720,694	16,720,694	16,720,694
Total Planning & Research Funding and OKDOT Administrative Costs	148,524,447	148,416,912	148,355,457	148,316,168	148,282,561	148,282,990	148,333,245	148,389,919	148,382,492
TOTAL FUNDING after Debt Service & Planning Research Admin	1,445,212,864	1,444,552,295	1,447,299,784	1,443,933,436	1,443,726,996	1,443,729,627	1,444,038,339	1,447,511,476	1,444,340,854
TOTAL FUNDING Present Value in 2013 Dollars	1,073,814,446	1,052,278,072	1,033,607,323	1,010,983,532	991,018,619	971,588,652	952,741,574	936,306,928	915,937,300

**BASELINE FORECAST**

State Fiscal Year	2037 Forecast	2038 Forecast	2039 Forecast	2040 Forecast	Total FY2016-FY2040
<b>State Funding</b>					
Motor Fuel Tax - STF - Highways	177,607,901	177,595,627	177,499,559	177,165,481	4,504,794,886
Motor Fuel Tax - OTA Transfer	38,811,913	38,809,231	38,788,237	38,715,233	984,414,015
Motor Fuel Tax - High Priority Bridge Fund	5,821,787	5,821,385	5,818,236	5,807,285	147,662,102
Motor Fuel Tax Variable Amounts Subtotal	222,241,601	222,226,242	222,106,032	221,687,999	5,636,871,003
Port of Entry Capital Improvements	0	0	0	0	56,500,000
STF - Transit - Annual Appropriation	1,900,000	1,900,000	1,900,000	1,900,000	47,500,000
Public Transit Revolving Fund	850,000	850,000	850,000	850,000	21,250,000
Tourism & Passenger Rail Revolving Fund	850,000	850,000	850,000	850,000	21,250,000
Motor Fuel Tax Statutory Dollar Amounts Subtotal	3,600,000	3,600,000	3,600,000	3,600,000	146,500,000
Motor Fuel Tax Total	225,841,601	225,826,242	225,706,032	225,287,999	5,783,371,003
Income Tax - ROADS Fund - Highways	575,000,000	575,000,000	575,000,000	575,000,000	14,227,700,000
Income Tax - Public Transit Revolving Fund	3,000,000	3,000,000	3,000,000	3,000,000	75,000,000
Income Tax - Tourism & Passenger Rail Revolving Fund	2,000,000	2,000,000	2,000,000	2,000,000	50,000,000
Income Tax Total	580,000,000	580,000,000	580,000,000	580,000,000	14,352,700,000
Oklahoma Capital Improvement Authority Bond Issuance Proceeds	0	0	0	0	-
Planned Sales of State-Owned Rail Property	0	0	0	0	10,000,000
Motor Veh. Reg. Fees - County Improvements for Roads & Bridges Program	120,000,000	120,000,000	120,000,000	120,000,000	2,969,959,100
Motor Veh. Reg. Fee Penalties	6,000,000	6,000,000	6,000,000	6,000,000	150,000,000
Weigh Station Revolving Fund	8,500,000	8,500,000	8,500,000	8,500,000	186,500,000
Freight Car Tax - Railroad Maintenance Revenue Fund	0	0	0	0	2,251,520
Other Funding and Revenues Total	134,500,000	134,500,000	134,500,000	134,500,000	3,318,710,620
<b>Total State Funding</b>	<b>940,341,601</b>	<b>940,326,242</b>	<b>940,206,032</b>	<b>939,787,999</b>	<b>23,454,781,623</b>
<b>Federal Funding</b>					
<b>Highway and Bridge Obligation Limitation</b>	<b>604,059,900</b>	<b>604,059,900</b>	<b>604,059,900</b>	<b>604,059,900</b>	<b>15,101,497,500</b>
Major Programs					
National Highway Performance Program (NHP)	279,556,150	279,556,150	279,556,150	279,556,150	6,988,903,740
Surface Transportation Program (STP)	96,084,745	96,084,745	96,084,745	96,084,745	2,402,118,629
Congestion Mitigation and Air Quality Improvement Program (CMAQ)	8,598,885	8,598,885	8,598,885	8,598,885	214,972,122
Highway Safety Improvement Program (HSIP)	23,541,824	23,541,824	23,541,824	23,541,824	588,545,609
Federally Required Allocations	76,038,296	76,038,296	76,038,296	76,038,296	1,900,957,400
ODOT Determined Allocations	120,240,000	120,240,000	120,240,000	120,240,000	3,006,000,000
Transit	15,012,812	15,012,812	15,012,812	17,512,812	387,820,305
<b>Total Federal Funding</b>	<b>619,072,712</b>	<b>619,072,712</b>	<b>619,072,712</b>	<b>621,572,712</b>	<b>15,489,317,805</b>
<b>Total Required Local Match</b>	<b>33,209,221</b>	<b>33,209,221</b>	<b>33,209,221</b>	<b>33,834,221</b>	<b>833,355,527</b>
<b>Total Federal Funding Including Local Match</b>	<b>652,281,933</b>	<b>652,281,933</b>	<b>652,281,933</b>	<b>655,406,933</b>	<b>16,322,673,332</b>
<b>Total State and Federal Funding</b>	<b>1,559,414,313</b>	<b>1,559,398,954</b>	<b>1,559,278,744</b>	<b>1,561,360,711</b>	<b>38,944,099,428</b>
<b>Total State and Federal Funding Including Local Match</b>	<b>1,592,623,534</b>	<b>1,592,608,175</b>	<b>1,592,487,965</b>	<b>1,595,194,932</b>	<b>39,777,454,955</b>
<b>Deductions for Existing Debt Service</b>					
Oklahoma Capital Improvement Authority (OCIA) Debt Service					384,470,698
CIP Debt Service					-
GARVEE Debt Service					51,078,879
<b>Total Debt Service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>435,549,578</b>
<b>Total State Funding after Debt Service</b>	<b>940,341,601</b>	<b>940,326,242</b>	<b>940,206,032</b>	<b>939,787,999</b>	<b>23,070,310,925</b>
<b>Total Federal Funding including Local Match after Debt Service</b>	<b>652,281,933</b>	<b>652,281,933</b>	<b>652,281,933</b>	<b>655,406,933</b>	<b>16,271,594,453</b>
<b>Total Funding After Debt Service</b>	<b>1,592,623,534</b>	<b>1,592,608,175</b>	<b>1,592,487,965</b>	<b>1,595,194,932</b>	<b>39,341,905,378</b>
<b>Deductions for Planning, Research, and Operating/Administrative Costs</b>					
Oklahoma DOT Administrative Costs	131,647,824	131,645,674	131,628,844	131,570,320	3,308,791,873
Federal Research and Planning Funding	16,720,694	16,720,694	16,720,694	16,720,694	418,017,350
<b>Total Planning &amp; Research Funding and OKDOT Administrative Costs</b>	<b>148,368,518</b>	<b>148,366,368</b>	<b>148,349,538</b>	<b>148,291,014</b>	<b>3,726,809,223</b>
<b>TOTAL FUNDING after Debt Service &amp; Planning Research Admin</b>	<b>1,444,255,016</b>	<b>1,444,241,808</b>	<b>1,444,138,426</b>	<b>1,446,903,918</b>	<b>35,615,096,155</b>
<b>TOTAL FUNDING Present Value in 2013 Dollars</b>	<b>897,924,377</b>	<b>880,309,966</b>	<b>862,987,208</b>	<b>847,686,087</b>	<b>26,658,974,143</b>