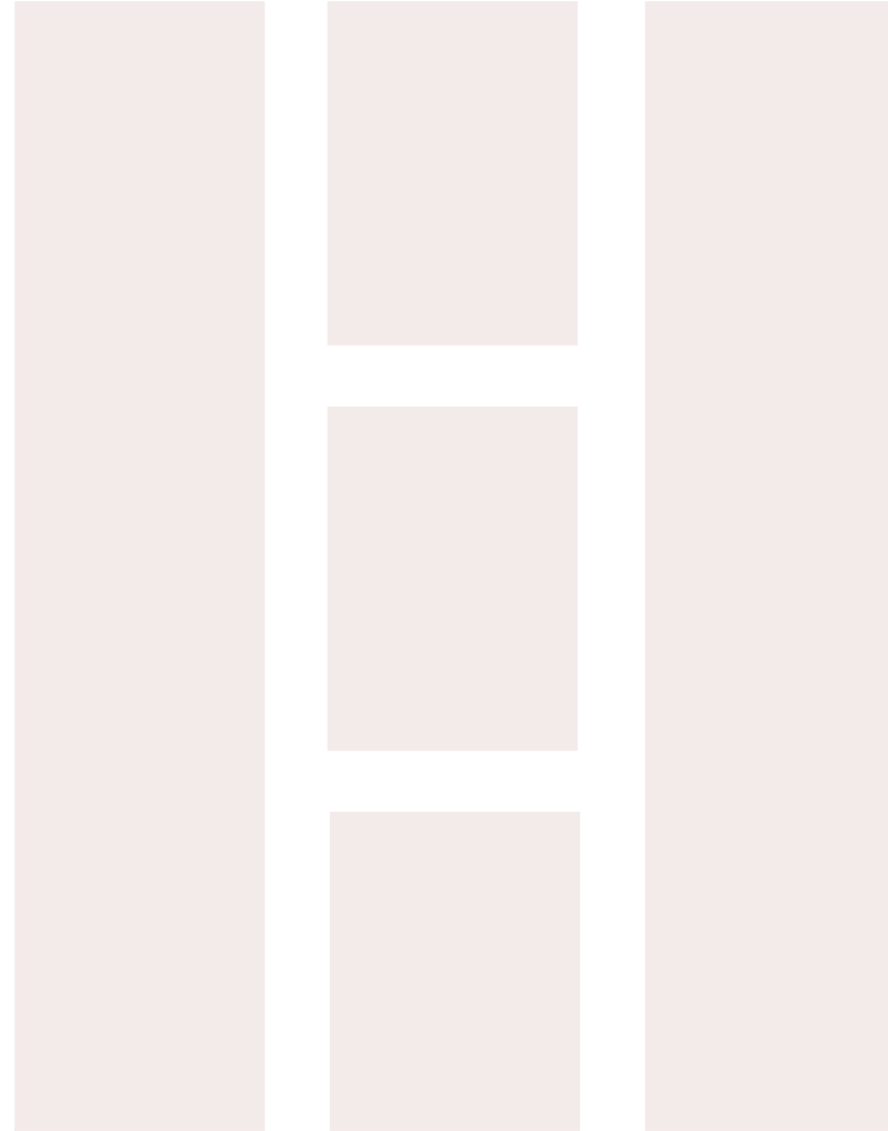


WHAT'S NEXT FOR HWYS



AFTER THIS WIN

- Future funding
- Data-based decision making
- Leveraging



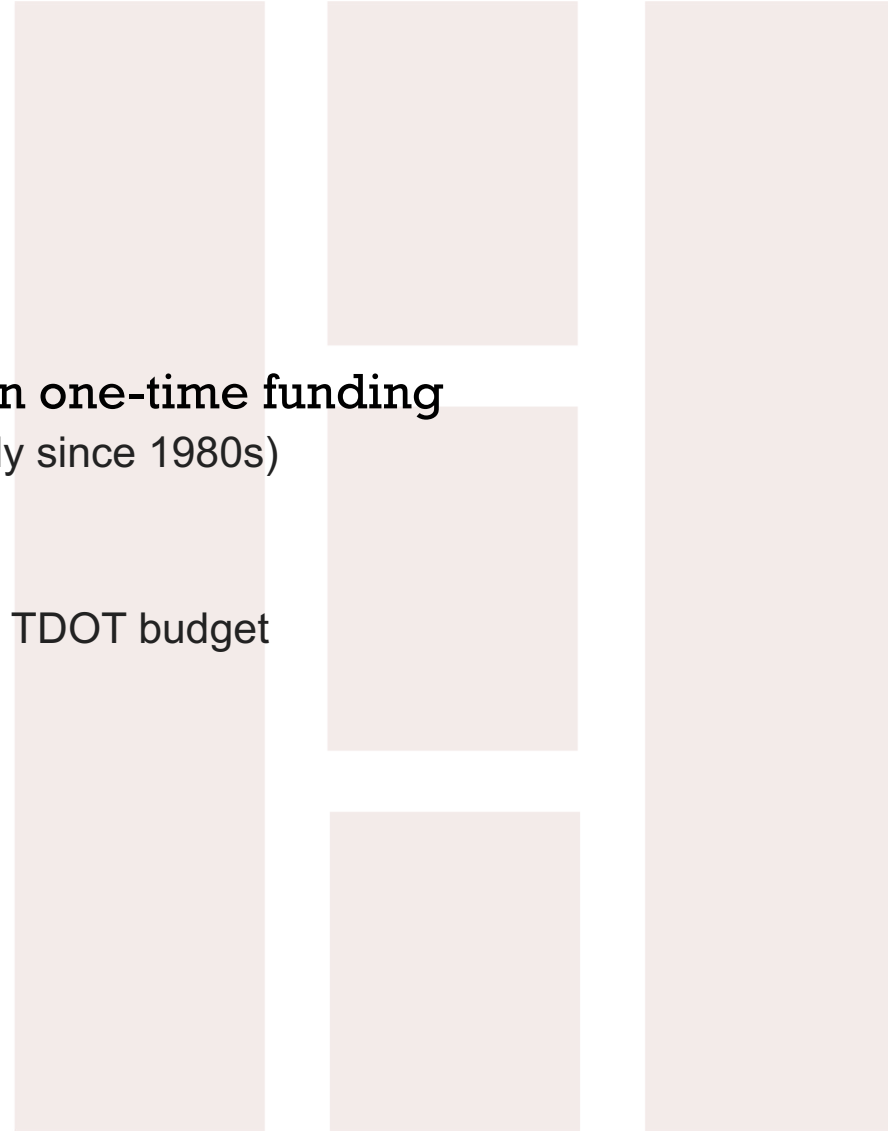
SB273/HB321 BY SEN MASSEY, REP HOWELL

Public Chapter 159 of 2023

- Short Term = One-time grants
- Long Term = Recurring operating budget monies

SHORT TERM

- **State Aid Road Program = \$300 million in one-time funding**
 - Existing program with rules (\$21 million annually since 1980s)
 - 100 percent of the funds available July 1, 2023
 - State Aid Road guidelines remain the same
 - \$21 million annual allocation continues through TDOT budget

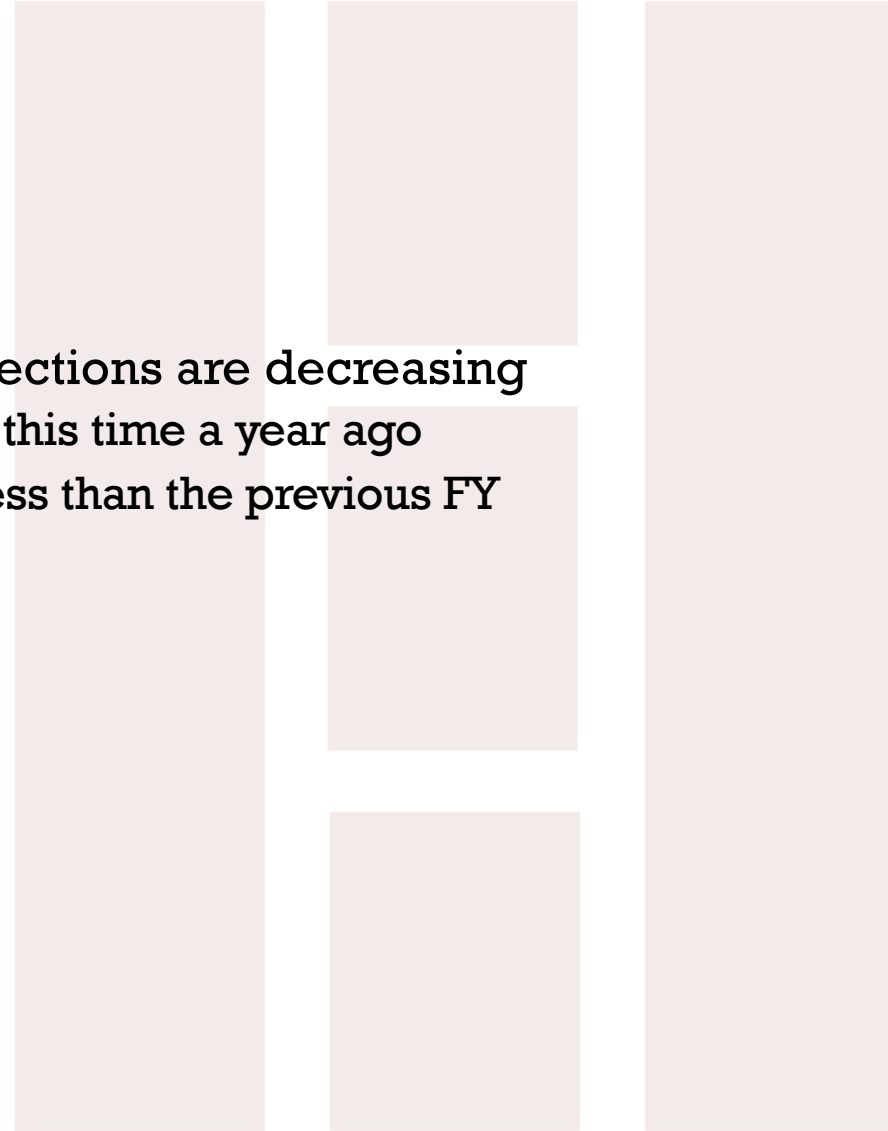


WHY DATA MATTERS

- Counties maintain more than 61,000 total road miles
- 20% on the State Aid System (about 15,000 miles)
 - Collect traffic from low volume roads
 - Provide connectivity to collector and arterial highways
 - Service to smaller communities not served by a higher-class (road) facility
 - Link locally important traffic generators with rural areas of a county
- \$4.7 billion in County transportation needs
 - Tennessee Advisory Commission on Intergovernmental Relations, 2023
- Reporting will help us show the long-term, unmet funding need

LONG TERM

- State gasoline & motor fuel revenue collections are decreasing
 - March collections down \$1.1 million over this time a year ago
 - Finish FY2022-2023 at least \$3.2 million less than the previous FY
 - \$7.5 million less than we had projected

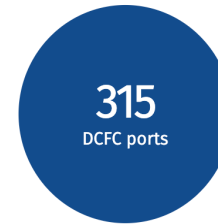
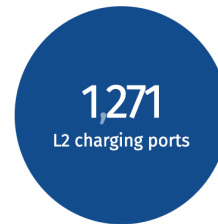
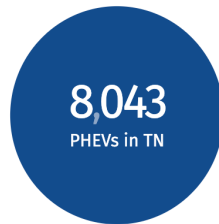


VEHICLE REGISTRATIONS

	Electric	Hybrid Electric & Plug in Hybrid)
Jan. 1, 2024	\$200/year	\$100/year
Jan. 1, 2025	\$200/year	\$100/year
Jan. 1, 2026	\$200/year	\$100/year
Jan. 1, 2027	\$274/year	\$100/year
Jan. 1, 2028	\$274 + CPI up to 3%	\$100 + CPI up to 3%
Jan. 1 of subsequent years	+ CPI up to 3% added	+ CPI up to 3% added

Paid at time of renewal, not at purchase of the vehicle

TENNESSEE NUMBERS - EVS AND EVSE



- The EV data above is as of 3/31/23; the EVSE data above is as of 5/18/23.
- All data shown below is as of the end of that period (i.e., year, quarter).
- The EV numbers are from registration data from the State of Tennessee Department of Revenue.
- LD = Light-duty
- The EVSE numbers are all coming from the U.S. DOE's [Alternative Fuel Data Center \(AFDC\) Station Locator](#)

English

BEV ("Battery Electric Vehicle")	Only all-electric vehicles
PHEV ("Plug-in Hybrid Vehicle")	Vehicles that have a combination of an electric-drive system with a battery and some size (large or small) of an internal combustion engine (ICE) in them as well
PEV ("Plug-in Electric Vehicle")	All vehicles that have a plug (BEVs and PHEVs)
EVSE ("Electric Vehicle Supply Equipment")	The broad name for all EV charging equipment no matter size or charging speed
Level 2 (Charger size)	Refers to single-phase, 220-240 volt (V), alternating-current (AC) charging equipment. In size, they are typically the size of 1-2 shoe boxes, minus any stanchions.

MEMBERSHIP



Tennessee Department
of General Services

Tennessee Tech
University

Tesla Owners Club of TN

Urban Green Lab

Vanderbilt University

Volkswagen Group of
America

ALL-ELECTRIC VEHICLE

- Passenger or commercial motor vehicle with an electric motor as its sole means of propulsion
- Does not include a low speed vehicle or a medium speed vehicle



HYBRID ELECTRIC VEHICLE

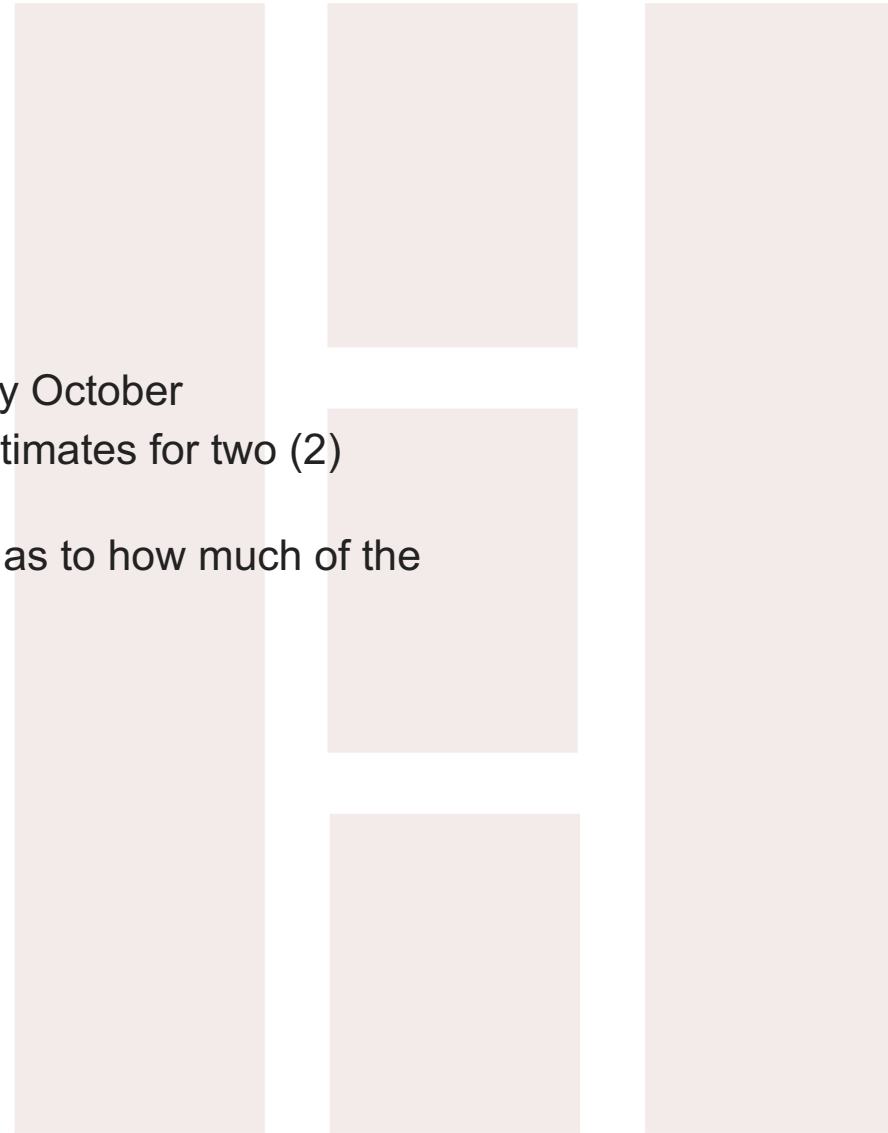
- Primarily powered by an electric motor that draws current from rechargeable storage batteries, fuel cells, or other sources of electric current and also operates on, or is capable or operating on, a nonelectrical source of power
- Does not include a low speed vehicle or a medium speed vehicle

PLUG-IN HYBRID ELECTRIC VEHICLE

- Can use batteries to power an electric motor and use another fuel, such as gasoline or diesel, to power an internal combustion engine or other propulsion source, and that may use electricity from the grid to run the vehicle some or all of the time
- Does not include a low speed vehicle or a medium speed vehicle

CREATES DATA

- Annual work plan, as always have each year, by October
- PLUS a projected list of projects and budget estimates for two (2) additional years
- County Highway Departments retain discretion as to how much of the State Aid funding will use each year
 - Single or Multiple years

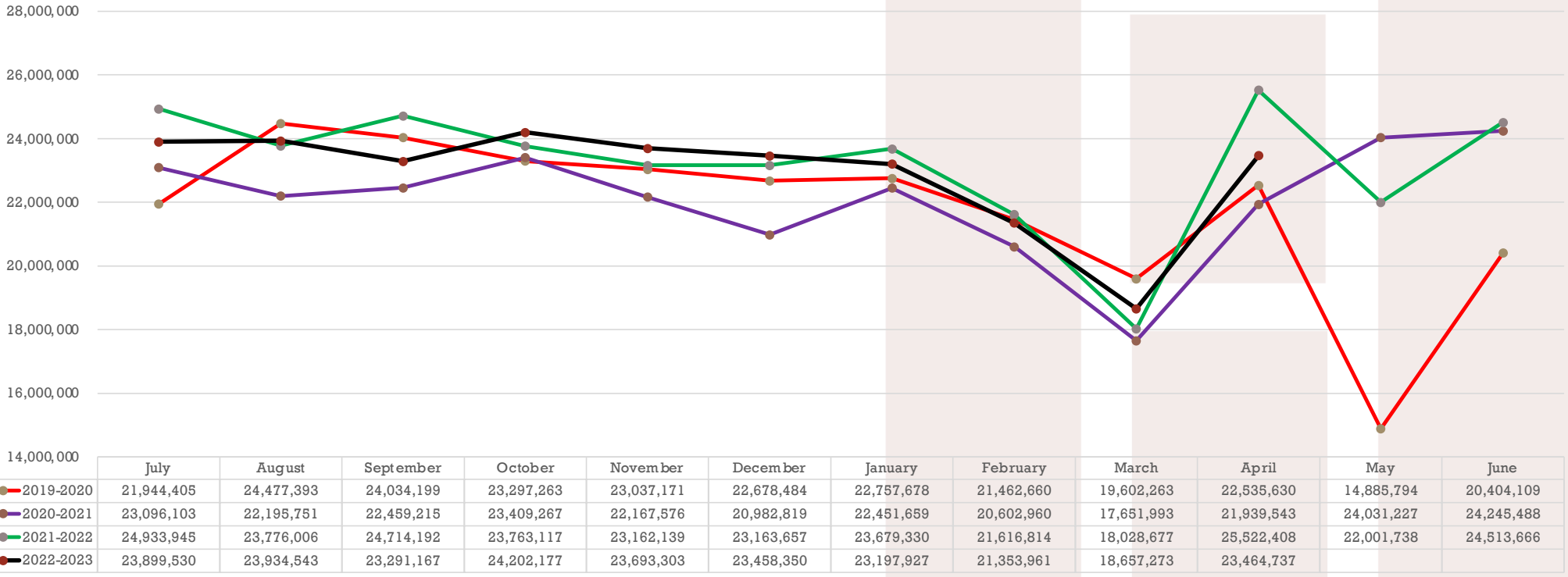


WHY IT MATTERS

- **Growing number of Electric Vehicles in Tennessee**
 - EV manufacturers are here (GM, Nissan, Volkswagen, Ford)
 - Existing registration fee not shared with counties and cities
 - Drive Electric Tennessee's mission is 200,000 EVS by 2028
 - 25,955 as of 12/31/2022
- **Inflation impact on purchasing power**
 - Costs of oil, fuel, etc. up 25-50% over last year
- **Fuel efficiency affects primary transportation revenues**
 - Greater period between fuel ups = fewer tax revenues generated

HISTORICAL COLLECTIONS

Total Gasoline and Diesel Revenues by Month



COUNTY TRANSPORTATION NEEDS

	County Transportation Needs	State Aid Road Allocation
Region 1	\$ 598,688,660	\$ 79,583,271
Region 2	\$ 208,303,872	\$ 70,890,013
Region 3	\$ 3,077,627,364	\$ 93,677,334
Region 4	\$ 477,375,517	\$ 76,931,382
Statewide	\$ 4,361,995,413	\$ 321,082,000

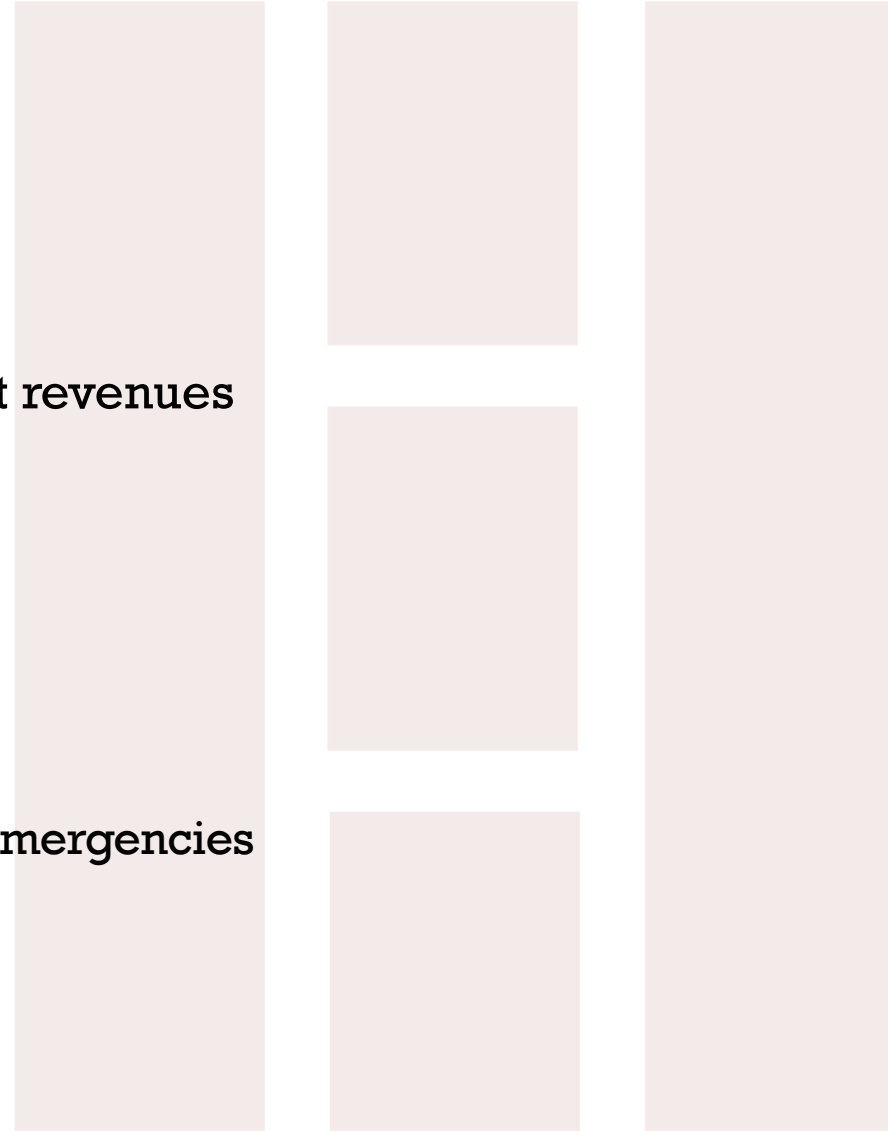
Tennessee Advisory Commission on Intergovernmental Relations, 2022-2023
Projects reported between 2017-Present

NON-SUPPLANTING PROVISION

“Effective July 1, 2023, a sum of three hundred million dollars (\$300,000,000), to be distributed to local governments as grants, as determined by the commissioner; provided, that **a local government shall not use grants distributed from the sum described in this subdivision (b)(2) to supplant other state or local moneys appropriated or allotted for building, maintaining, or improving county roads or bridges**”

SKIN IN THE GAME

- Additional County Highway Department revenues
 - Mineral severance taxes
 - Wheel tax
 - Property tax
 - Local option sales tax
 - Business tax
 - Grants
 - Reimbursements from natural disasters/emergencies
 - Etc.



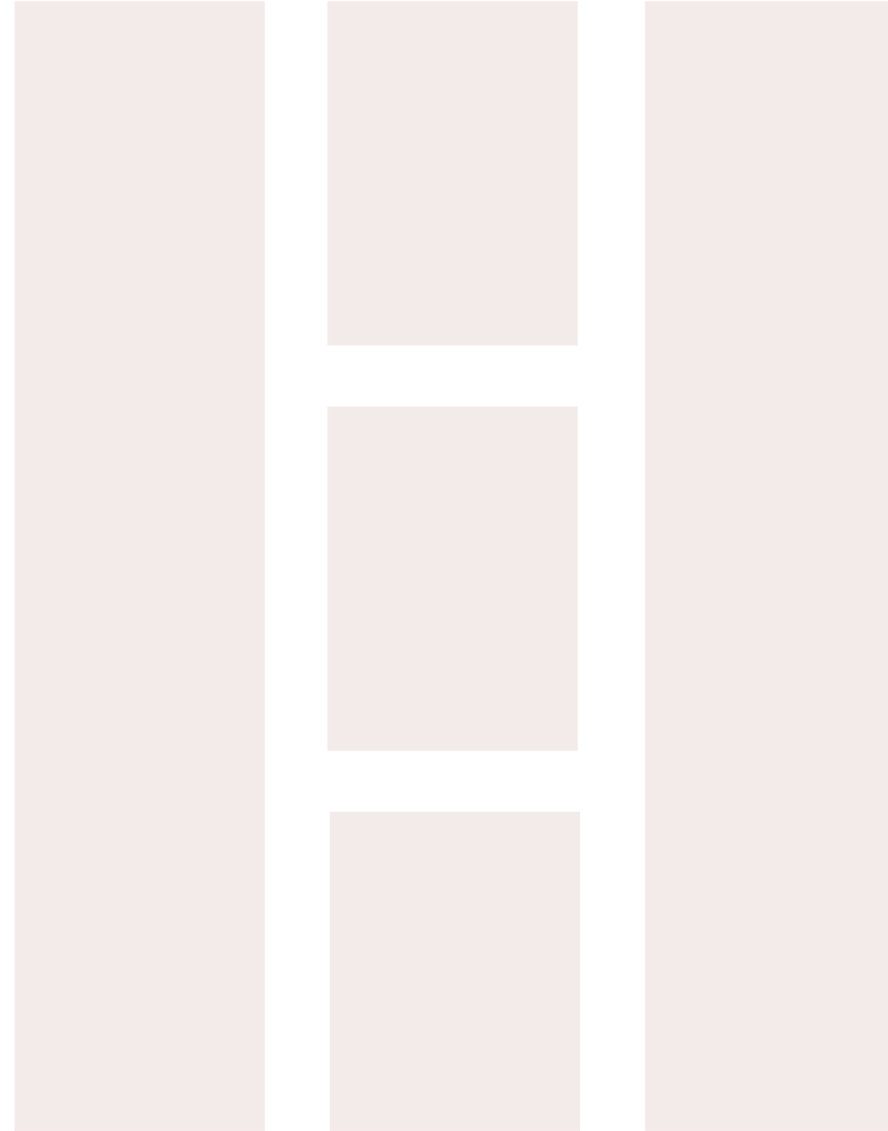
CURRENT LOCAL FUNDING

- 8 counties DO NOT provide any type of local revenue to their Highway Department
- 62 of 95 counties DO provide property tax
- 24 of 95 DO contribute via wheel tax
- 8 DO contribute a portion of the local option sales tax
- About 58 have a mineral severance tax

Audited FY2020 data, Comptroller's Office

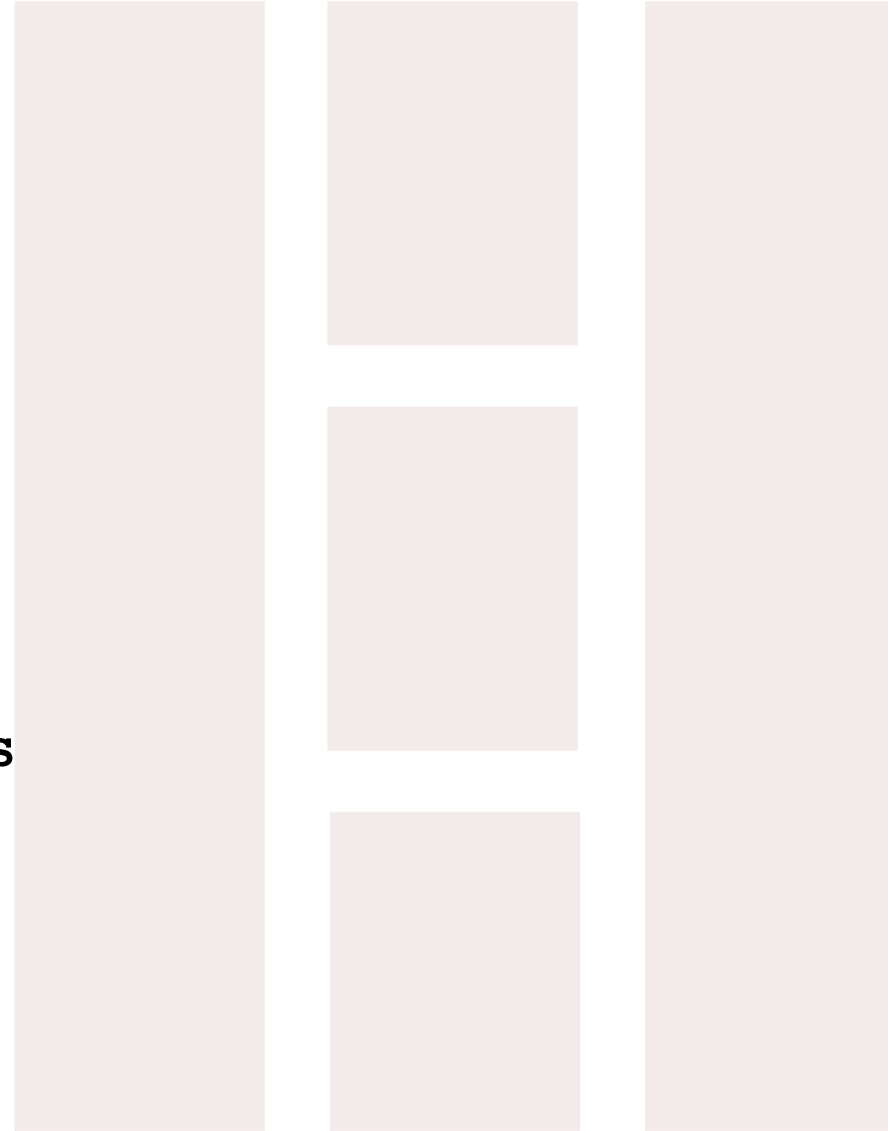
OUR FUTURE

- TN General Assembly
- Local funding
- Grants
 - Federal
 - State



OUR FUTURE

- TN General Assembly
- Local funding
- Grants
 - Federal
 - State
- Partnerships
- Leveraging resources
- Creating capacity
- Alternative delivery



SAFE STREETS & ROADS FOR ALL

- Makes \$1.17 billion available for regional, local and Tribal initiatives to prevent roadway deaths and serious injuries
 - Provide two funding categories:
 - Planning and Demonstration Grants
 - Implementation Grants
 - Eligible applicants include units of local government and MPOs
 - Applications due July 10, 2023
 - <https://www.transportation.gov/grants/SS4A>

PROTECT GRANT PROGRAM

- Promoting Resilient Operations for Transformative, Efficient and Cost-Saving Transportation (PROTECT) Grant Program
- Makes \$848 million available to fund projects that address the climate crisis by improving the resilience of the surface transportation system
- Program provides funding for four categories:
 - Planning grants
 - Resilience Improvement Grants
 - Community Resilience and Evacuation Route Grants
 - At-Risk Coastal Infrastructure Grants
- Eligible applicants include states, units of local governments and MPOs
- Applications due August 18, 2023
- <http://www.fhwa.dot.gov/environment/protect/discretionary>

CONTACT



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