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STATE REVENUES USED FOR TRANSPORTATION PURPOSES

The report *Transportation Governance and Finance: A 50-State Review of State Legislatures and Departments of Transportation* summarizes how all 50 states and the District of Columbia govern and pay for their road and bridge systems. (More detailed information for each state also is provided in the full report.) Issued in November 2016, the report updates information gathered in 2011; this memorandum provides updates to that information below and on the attachment.

Funding for the study was provided by the National Cooperative Highway Research Program, and the work was guided by a project panel of representatives of state and federal transportation officials and representatives of the National Conference of State Legislatures (NCSL) and the American Association of State Highway and Transportation Officials. Legislative and department of transportation officials from all states contributed to the report and reviewed relevant portions in draft form. The report is available *via* the NCSL website <http://www.ncsl.org/bookstore/state-legislatures-magazine/deep-dive-transportation-funding.aspx>.

Additions to the 2016 Information

Arizona. HB 2166, enacted April 25, 2018, establishes a highway safety fee that must be paid each year at registration. The amount of the fee is to be determined annually and is to be sufficient to fund 110.0 percent of the Department for Public Safety Highway Patrol budget each year. The fee is used to fund Arizona Highway Patrol activities.

California. SB 1, enacted April 28, 2017, establishes a Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. Revenue deposited in the account includes fuel tax increases, a transportation improvement fee based on vehicle value, and a new \$100 annual vehicle registration fee applicable only to zero-emission vehicles of model years 2020 and later. The fees will be adjusted for inflation.

Hawaii. HB 2601, enacted July 10, 2018, adds a surcharge of \$2 a day on rental motor vehicles if the lessee does not have a valid Hawaii driver's license. These funds would be used to fund projects to increase highway capacity and relieve congestion in the county in which the vehicle was operated under the rental agreement.

Indiana. HB 1002, enacted April 27, 2017, establishes a transportation infrastructure improvement fee of \$15, due when a vehicle is registered each year. The fee does not apply to trailers, semitrailers, nonmotive recreational vehicles, special machinery, vehicles registered as

military or collector vehicles, or motor-driven cycles, or to trucks, tractors used with a semitrailer, and for-hire buses with a declared gross weight exceeding 26,000 pounds.

Mississippi. HB 1 of the First Extraordinary Session, enacted August 29, 2018, establishes a tax of \$150 on each electric vehicle (powered solely by an electric motor) and \$75 on each hybrid vehicle. SB 2001 of the First Extraordinary Session, enacted August 31, 2018, creates the Alyce G. Clarke State Lottery. Net proceeds (until June 30, 2028) are to be paid to the State Highway Fund; amounts exceeding \$80 million will be transferred into the Education Enhancement Fund.

Oklahoma. HB 1449, enacted May 31, 2017, establishes a motor fuels tax fee (to be paid during vehicle registration) of \$100 for electric motor vehicles and \$30 for hybrid vehicles. Revenues are to be placed in the State Highway Construction and Maintenance Fund; a portion is to be used for the development and maintenance of alternative fuel corridors as defined by the Federal Highway Administration.

South Carolina. HB 3516, enacted May 10, 2017, establishes an infrastructure maintenance fee to be paid when the vehicle is first registered; the amount is 5.0 percent of the vehicle's sales price or \$500, whichever is less. It also establishes a biennial road user fee, in addition to registration fees, of \$120 for each motor vehicle powered exclusively by electricity, hydrogen, or any fuel other than motor fuel, and a biennial road use fee of \$60 for any vehicle powered by a combination of motor fuel and electricity, hydrogen, or any fuel other than motor fuel.

Tennessee. HB 0534, enacted April 26, 2017, increased several taxes and fees and added a registration fee of \$100 for each electric vehicle.

Utah. SB 136, enacted March 22, 2018, establishes additional registration fees for alternative-fuel vehicles starting in calendar year (CY) 2019 and increasing in CY 2020 and CY 2021 in these amounts: electric vehicles—\$60 in CY 2019, \$90 in CY 2020, and \$120 in CY 2021; hybrid vehicles—\$10, \$15, and \$20; plug-in hybrid electric vehicles—\$26, \$39, \$52; and any vehicle fueled by a source not listed above and other than motor fuel, diesel fuel, natural gas, or propane—\$60, \$90, and \$120.

West Virginia. SB 1006, enacted June 16, 2017, adds registration fees for alternative fuel vehicles: \$200 if the vehicle is fueled with hydrogen or natural gas, \$100 if the vehicle operates on a combination of electricity and petrochemical fuels, and \$200 for a vehicle operating exclusively on electricity.

Also noted on the attachment are fees for electric and hybrid vehicles (see the KLRD memorandum [Fees for Electric and Hybrid Vehicles](#)) that are not otherwise noted in Table 23. This may be because the fees are not used for roads and bridges, the definition for inclusion in Table 23, or the fee was not in effect at the time the data were submitted.

Attachment

Table 23. Revenue Sources Currently Used by States for Roads and Bridges

State	Revenue Sources							
	Fuel Taxes	Passenger Vehicle Fees	Truck Registration Fees	Tolls	General Sales Taxes	General Funds	Interest Income	Other
Alabama	F	R	•					Alternative fuel vehicle fees Oversize/overweight truck permit fees Outdoor advertising revenues
Alaska*	F	R, T		•		•	•	Taxes on alternative fuels Industrial use highway permit fees Sales taxes on rental vehicles Property leases or sales Legislative appropriations (budget reserve fund)
Arizona	F	R, T	•			•	•	Oversize/overweight truck permit fees Other truck permit fees Vehicle license taxes Sales taxes on rental vehicles Driver's license fees
Arkansas	F	R, T	•		•	•	•	Taxes on alternative fuels Oversize/overweight truck permit fees Other truck- and commercial driver-related fees Severance taxes on natural gas Rail regulation fees Pine timber sales Rainy Day Fund (one-time transfer in 2016)
California	F, V		•	•			•	Taxes on alternative fuels Cap-and-Trade Program revenues Property leases or sales
Colorado	F	R	•			•	•	Taxes on alternative fuels Special fees on electric vehicles Fees on rental vehicles Oversize/overweight truck permit surcharges Congestion pricing/high-occupancy toll (HOT) lanes Outdoor advertising revenues Property sales
Connecticut	F, V	R, T	•		•		•	Sales taxes on motor vehicle sales Property leases and sales Pilot license fees (watercraft) Misc. DMV and DOT fees and fines
Delaware	F	R, T	•	See note			•	Oversize/overweight truck permit fees Property leases and sales
Florida	F, V	R, T	•	•			•	Oversize/overweight truck permit fees Surcharge on rental vehicles Congestion pricing/high-occupancy toll (HOT) lanes Documentary stamp revenues
Georgia	V			See note		•	•	Taxes on alternative fuels Special fees on heavy vehicles Oversize truck permit fees Congestion pricing/high-occupancy toll (HOT) lanes Hotel fees

Highway Safety fee (enacted 2018)

Vehicle license tax for alternative fuel vehicle (enacted 2018)

Registration fee on zero-emission vehicles starting in 2020 (enacted 2017)

Registration for alternative fuel vehicles (enacted 2015)

State	Revenue Sources							
	Fuel Taxes	Passenger Vehicle Fees	Truck Registration Fees	Tolls	General Sales Taxes	General Funds	Interest Income	Other
Hawaii	F	R, T				•		Taxes on alternative fuels State vehicle weight tax Sales taxes on rental vehicles Property rentals and leases Fines for use of mobile devices while driving Surcharge on rental vehicles, if no Hawaii driver's license (enacted 2018)
Idaho	F	R, T	•			•	•	Taxes on alternative fuels Fuel taxes for certain non-highway use (used for grade crossings) Oversize/overweight truck permit fees Other truck permit fees Special fees on hybrid and electric vehicles Cigarette taxes
Illinois	F	R, T	•	See note			•	Oversize/overweight truck permit fees Outdoor advertising revenues
Indiana	F	R, T	•	See note		•	•	Use taxes on gasoline Taxes on alternative fuels Oversize/overweight truck permit fees Other truck permit fees Driver's license and state ID card fees Outdoor advertising revenues Property leases or sales Transportation infrastructure improvement fee (enacted 2017)
Iowa	V	R, T	•				•	Taxes on alternative fuels One-time registration fee on vehicle sales/leases Special license plate fees Oversize/overweight truck permit fees Sales taxes on rental vehicles Rest area sponsorship Misc. fees and taxes
Kansas	F	R, T	•	See note	•		•	Taxes on alternative fuels Sales of confiscated fuel Special license plate fees Motor carrier license fees Oversize/overweight truck permit fees Other truck permit fees Driver's license and state ID card fees Misc. fees and fines Outdoor advertising revenues Property sales
Kentucky	F, V	R, T	•	See note			•	Taxes on alternative fuels Sales taxes on motor vehicle sales Weight-distance taxes (trucks) Oversize/overweight truck permit fees Driver's license fees
Louisiana	F	R, T	•	•			•	Taxes on alternative fuels Oversize/overweight truck permit fees Outdoor advertising revenues Other DOT-generated revenues

State	Revenue Sources							
	Fuel Taxes	Passenger Vehicle Fees	Truck Registration Fees	Tolls	General Sales Taxes	General Funds	Interest Income	Other
Maine*	F	R, T	•	See note			•	Taxes on alternative fuels Special license plate fees Vehicle inspection fees Driver's license and state ID card fees Oversize/overweight truck permit fees Fines for truck size and weight violations Traffic fines Wholesale liquor revenues
Maryland	V	R, T	•	•			•	Taxes on alternative fuels Taxes on aviation fuels Oversize/overweight truck permit fees Other truck permit fees Sales taxes on rental vehicles Driver's license fees Congestion pricing/high-occupancy toll (HOT) lanes Revenue-sharing: rest area food/fuel concessions Corporate income taxes
Massachusetts	F	R, T	•	•		•	•	Taxes on alternative fuels Oversize/overweight truck permit fees Sales taxes on motor vehicle sales Driver's license fees Outdoor advertising revenues Gaming revenues Property leases and sales
Michigan	F	R, T	•	•		•		Taxes on alternative fuels Oversize/overweight truck permit fees Vehicle dealer license fees Special fees on electric and hybrid vehicles (enacted 2015)
Minnesota	F	Registration taxes	•				•	Taxes on alternative fuels Oversize/overweight truck permit fees Commercial vehicle inspection fees Sales taxes on motor vehicle sales Fees on rental vehicles Congestion pricing/high-occupancy toll (HOT) lanes Traffic fines Outdoor advertising revenues Special fee on all-electric vehicles (enacted 2017)
Mississippi	F		•				•	Taxes on alternative fuels License tag fees Vehicle dealer tag fees Oversize/overweight truck permit fees Overweight truck taxes Contractor's taxes Lubricating oil taxes Casino taxes (see state profile) Alternative fuel vehicle tax (enacted 2018) Net proceeds of a new state lottery (enacted 2018)
Missouri	F	R, T	•			•	•	Taxes on alternative fuels Special fees on electric/some alternative fuel vehicles Sales taxes on motor vehicle sales/leases Driver's license fees

State	Revenue Sources							
	Fuel Taxes	Passenger Vehicle Fees	Truck Registration Fees	Tolls	General Sales Taxes	General Funds	Interest Income	Other
Montana	F		Gross vehicle weight fees on heavy trucks				•	Taxes on alternative fuels Gross vehicle weight fees on light trucks Oversize/overweight truck permit fees
Nebraska	F, V	R	•		•		•	Taxes on alternative fuels Special fees on electric/some alternative fuel vehicles Sales taxes on motor vehicle sales/leases Oversize/overweight truck permit fees Property leases and rentals Train-mile taxes (used for grade crossings) Outdoor advertising revenues
Nevada	F	R, T	•				•	Taxes on alternative fuels Driver's license and state ID card fees Passenger carrier excise taxes Petroleum cleanup fees Occupational and business licensing fees Governmental services taxes
New Hampshire	F	R, T	•	•			•	Taxes on alternative fuels Rest area food/fuel concessions
New Jersey	F, V			See note			•	Taxes on alternative fuels Sales taxes on motor vehicle sales
New Mexico	F	R, T					•	Taxes on alternative fuels Sales taxes on motor vehicle leases/rentals Weight-distance taxes (trucks) Trip taxes (foreign-based motor carriers) Oversize/overweight truck permit fees Driver's license fees Outdoor advertising revenues
New York	F, V	R, T	•	See note		•	•	Taxes on aviation fuels Weight-distance taxes (trucks) Oversize/overweight truck permit fees Sales taxes on rental vehicles Driver's license fees Franchise taxes on transmission and transportation companies Outdoor advertising revenues Misc. fees and fines
North Carolina	F	R, T	•	•			•	Taxes on alternative fuels Vehicle inspection fees Special fees on electric vehicles Sales taxes on motor vehicle sales/leases Oversize/overweight truck permit fees (under some circumstances—see state profile) Driver's license fees Business license fees North Carolina Rail Company dividends (used for rail crossings)

State	Revenue Sources							
	Fuel Taxes	Passenger Vehicle Fees	Truck Registration Fees	Tolls	General Sales Taxes	General Funds	Interest Income	Other
North Dakota	F	R, T	•			•	•	Taxes on alternative fuels Driver's license and state ID card fees
Ohio	F, V			See note			•	Taxes on alternative fuels Leases of rights-of-way Outdoor advertising revenue
Oklahoma	F	R, T	•	See note			•	Taxes on alternative fuels Oversize/overweight truck permit fees Other truck permit fees Outdoor advertising revenues Income taxes
Oregon	F	R, T	•			•	•	Taxes on alternative fuels Special fees on some hybrid and electric vehicles Weight-distance taxes (trucks) Oversize/overweight truck permit fees Other truck permit fees Road usage charges Driver's license fees Property leases or sales
Pennsylvania	V	R, T	•	See note			•	Taxes on alternative fuels Oversize/overweight truck permit fees Driver's license and other fees Outdoor advertising revenues
Rhode Island	V	R	•	See note			•	Emission inspection fees Rental vehicle surcharges Driver's license fees Outdoor advertising revenues Property sales
South Carolina	F			•			•	Taxes on alternative fuels Sales taxes on motor vehicle sales Oversize/overweight truck permit fees Driver's license and state ID card fees Misc. DMV fees and fines Electric power taxes
South Dakota	F						•	Taxes on alternative fuels Sales taxes on motor vehicle sales/leases Sales taxes on rental vehicles Outdoor advertising revenues
Tennessee	F	R	•			•	•	Taxes on alternative fuels Oversize/overweight truck permit fees (under some circumstances—see state profile) Off-road vehicle fees
Texas	F	R, T	•	•			•	Taxes on alternative fuels Vehicle inspection fees Oversize/overweight truck permit fees High-occupancy toll (HOT) lanes/managed lanes Sales taxes on motor lubricants Driver's license and state ID card fees Driver record information fees Oil and gas production taxes

Alternative fuel vehicle fees (enacted 2017)

Alternative fuel vehicle road use fee (enacted 2017)

Infrastructure maintenance fee (enacted 2017)

Electric vehicle registration fee (enacted 2017)

State	Revenue Sources							
	Fuel Taxes	Passenger Vehicle Fees	Truck Registration Fees	Tolls	General Sales Taxes	General Funds	Interest Income	Other
Utah	V	R, T	•		•		•	Taxes on alternative fuels Sales taxes on rental vehicles Oversize/overweight truck permit fees High-occupancy toll (HOT) lanes Alternative fuel vehicle fees (enacted 2018)
Vermont	F, V	R, T	•				•	Sales taxes on motor vehicle sales/leases/rentals Transportation impact fees
Virginia	V	R	•	•	•		•	Taxes on alternative fuels Special fees on electric vehicles Sales taxes on motor vehicle sales Sales taxes on rental vehicles Oversize/overweight truck permit fees Rest area sponsorship
Washington*	F	R, T	•	•			•	Taxes on alternative fuels Vehicle weight fees License plate retention fees Special fees on electric vehicles Sales taxes on motor vehicle sales and rental vehicles Studded tire fees Congestion pricing/variable tolling/high-occupancy toll (HOT) lanes Property sales
West Virginia	F, V	R, T	•	•				Taxes on alternative fuels Oversize/overweight truck permit fees Sales taxes on motor vehicle sales/leases/rentals Alternative fuel vehicle fees (enacted 2017)
Wisconsin	F	R, T	•			•	•	Taxes on alternative fuels Taxes on aviation fuels Oversize/overweight truck permit fees Fines for truck size and weight violations State rental vehicle fees Driver's license and state ID card fees Railroad property taxes Airline property taxes Aircraft registration fees Outdoor advertising revenues Passenger rail station sponsorship Driver and vehicle record information fees Property sales Petroleum Inspection Fund revenues Surcharge on electric and hybrid electric vehicles (enacted 2017)
Wyoming	F	R, T	•			•		Taxes on alternative fuels Special fees on electric vehicles Oversize/overweight truck permit fees Driver's license fees Outdoor advertising revenues Mineral royalties Mineral severance taxes
District of Columbia	V					•	•	Taxes on alternative fuels Rights-of-way user fees Public space rental and use fees Public inconvenience fees Utility marking fees

** Alaska, Maine, and Washington also use ferry fares for state ferries that are considered to be part of those states' highway systems*

F: Fixed-rate fuel taxes

V: Variable-rate fuel taxes, including those that are periodically adjusted based on inflation or fuel prices

R: Registration fees

T: Title fees

Note: In general, this chart identifies revenue sources used by state government agencies or departments (including but not limited to DOTs), but not those used solely by quasi-public entities such as public benefit corporations or instrumentalities. Toll facilities in Illinois, Kansas, Maine, New York, Ohio, Oklahoma, Pennsylvania, and Rhode Island, for example, are operated by state-level, quasi-public authorities or commissions. Tolls collected by Pennsylvania's Turnpike Commission, however, are allocated in part to funds administered by the DOT under state law, and New Jersey's Transportation Trust Fund receives allocations from contracts with quasi-public toll road authorities and other entities. Toll roads in Delaware are under the Delaware Transportation Authority, a corporation and instrumentality of the state that functions as a component unit of the DOT. Georgia, Indiana, and Kentucky plan to open toll facilities in the next year. See state profiles for additional details and statutory citations, revenues used for other modes, and revenues that are authorized in law but not currently in use.