

Highlights of the Transportation Budget

The Conference Budget for Transportation in FY 2023-24 includes total expenditures of \$7.5 billion, which is \$1.2 billion over the base budget, a 19% increase. FY 2024-25 includes total expenditures of \$7.6 billion, which is \$60.0 million over FY 2023-24, a 1% increase.

Over the biennium, expenditure increases total \$2.5 billion over the base budget. These include increased expenditures of \$1.1 billion from the Highway Trust Fund, \$852.0 million from the Highway Fund, and \$550.0 million from the Transportation Reserve. The highlights of the Transportation adjustments follow below.

Executive Summary

Over the biennium, this budget provides additional funds of:

- \$1.1 billion for the State Transportation Improvement Program (STIP) for construction projects. (Page J45, Item 93)
- \$700.0 million, including \$150.0 million from the Transportation Reserve, to highway maintenance programs. These include general maintenance, contract resurfacing, and bridge replacement and preservation. (Page J28, Items 13-17)
- \$300.0 million from the Transportation Reserve to 38 airports for capital and service improvements. (Pages J31-J35, Items 38-75)
- \$34.0 million for Division of Motor Vehicles (DMV) programs. (Pages J27 and J30-J31, Items 6-8 and 27-36)

Department of Transportation

Committee Report Items

- Provides additional funds of \$47.0 million over the biennium for the Powell Bill to support local road maintenance and construction. (Page J29, Item 25)
- Provides funds of \$40.0 million over the biennium for capital, repairs, and renovations. (Page J36, Item 85)
- Provides additional funds of \$21.0 million over the biennium for the Ferry Division for maintenance, upgrades, and training. (Pages J35-J36, Items 76-83)
- Provides State and federal funds of \$20.0 million for rural on-demand transportation programs. (Page J30, Item 26)
- Provides funds of \$16.0 million over the biennium and 14 FTEs for the Facilities Management Division to maintain buildings in all highway divisions. (Page J27, Item 10)

Special Provisions

- Doubles the period driver licenses are valid from 8 to 16 years. This change applies to drivers between 18 and 66 years old and allows for unlimited remote renewals. (Sec 41.14)
- Requires an independent consultant to study DMV to provide recommendations on privatization and modernization. (Sec. 41.14C)
- Increases the annual registration fee for electric vehicles to \$180 and creates an additional annual registration fee for plug-in hybrid vehicles of \$90. (Sec. 41.14D)
- Requires DMV to develop a plan for adding a fee to electronic payments transactions, to offset fee expenditures of over \$30.0 million annually. Authorizes DMV to charge this fee beginning July 1, 2024. (Sec. 41.14E)