

REBUILD ALABAMA ACT

REVENUE MEASURES

Incremental Fuel Tax Increase

- State gasoline and diesel tax will be increased by **6 cents per gallon** on October 1, 2019, **2 cents per gallon** on October 1, 2020, and **2 cents per gallon** on October 1, 2021.
 - Once fully implemented, the total 10 cent per gallon gas tax increase will **only cost the average driver \$4.58 a month (A cup of coffee)**.
- The new revenues raised through these increases in the gas and diesel tax will be distributed as follows:
 - 66.67% to the State of Alabama, 25% to the Counties, and 8.33% to the Municipalities.

Indexing

- Alabama's fuel tax will be indexed to the National Highway Construction Cost Index (NHCCI) which is issued by the Federal Highway Administration. The index feature will be implemented as follows:
 - Index will begin on June 1, 2023 and **only every other year after that** (2025, 2027, 2029, etc.).
 - Indexing factor: the annual percentage change in the NHCCI.
 - Regardless of growth in NHCCI, the gas tax **cannot increase more than 1 cent per gallon at a time**.

Electric Vehicle Fees

- Electric vehicles (EVs) will now pay an annual registration fee. **Battery electric vehicles (BEVs) will pay \$200, and plug-in hybrid vehicles (PHEVs) will pay \$100.**
- Revenue collected for EVs will be distributed through the Rebuild Alabama Fund for use in **the construction and maintenance of a modern-day public road and highway system**.
- The State will dedicate 25% of the collected EV funds to support an **EV infrastructure grant program** that will provide funding to municipalities, counties, universities, and other public institutions to pay for a portion of the costs of developing EV charging station infrastructure.

ACCOUNTABILITY AND OVERSIGHT

Restrictions on New Revenue and Spending Oversight

- ALDOT, Counties, and Municipalities **cannot use the new revenue for:**
 - **Salaries or other compensation** that are not direct project costs, purchase or maintenance of equipment, or **building structures or buildings** that are not installed as part of a road or bridge project.
- ALDOT, Counties, and Municipalities can only use the new revenue for:
 - **Maintenance or construction of roads and bridges, match funds for federal road or bridge projects**, or the payment of any debt, subject to certain limits in the Act, associated with road or bridge projects.
- ALDOT's proceeds flow to the **Rebuild Alabama Fund** that will be audited annually and ALDOT will annually report to the **Joint Transportation Committee itemized specific projects**.
- County/municipality proceeds shall be audited and reported by the Examiners of Public Accounts.

PORT FUNDING

Funding for Alabama State Docks

- Up to \$11,760,000 annually will be distributed for the purpose to finance the improvement of the ship channel providing access to the facilities of the Alabama State Docks.
 - Such funds to service bond indebtedness **cannot exceed \$150,000,000** and will be financed up to 20 years.
 - Funds will finance **25 percent of the improvement project** of the Alabama State Docks and **federal funds will finance the majority 75 percent portion** through a federal match.



**YOU CAN'T MAKE PROGRESS
WITHOUT A ROAD AHEAD.**

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SUPPORTIVE FACTS

ECONOMIC IMPACT

At a macro-level, the \$320 million of new funding per year invested in Alabama's roads and bridges would have a statewide economic impact of about **\$750 million annually** and **\$15 billion economic impact over the next 20 years (ATI)**.

According to projections by the Federal Highway Administration on transportation investment, the Rebuild Alabama Plan funding will support an **additional 9,000 jobs in Alabama** and will result in **464 fewer traffic fatalities every 10 years**.

DEMANDS ARE GROWING ON ALABAMA'S ROAD SYSTEM

In Alabama, the population, the number of registered vehicles, and vehicle miles traveled are increasing at a more rapid rate than the transportation system has been adding capacity to keep up.

BETWEEN 1990 (JUST BEFORE THE LAST FUEL TAX INCREASE) AND 2015:

- Alabama's population increased 20%
- Number of lane miles increased 14%
- Vehicle miles traveled increased 57%

OUR ROADS ARE ALREADY CROWDED!

- Congestion costs Alabama drivers a total of \$1.4 billion a year.
- Traffic in metro areas costs drivers an average of \$450 annually.
- In central Alabama, the cost of congestion for a driver is \$890 a year.

SAFETY IS AN ISSUE ACROSS ALABAMA DUE TO AGING ROADS AND BRIDGES

Alabama drivers are more likely to be killed in a traffic accident than drivers in 44 other states.

- Deficient roadways are blamed in nearly one-third of these fatal wrecks.
- 60% of fatal accidents occur on rural roads.
- Car crashes in Alabama have increased significantly since 2013.

Aging and structurally unsound bridges pose growing dangers.

- 8% of bridges in the state are structurally deficient.
- Almost half of Alabama's bridges are over 50 years old.
- By 2040, almost three-fourths of existing bridges will be over 50 years old.