

# Effects of COVID-19 on County Transportation Funding

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#### **Transportation Funding: COVID Impacts**

- Total state fuel tax revenue reductions of approximately \$1.5 billion
- \$487 million lost to cities and counties

Transportation Funding Source	2019-20 May Revision	Difference from January	2020-21 May Revision	Difference from January
Gasoline Excise	\$6,604	-\$565	\$6,990	-\$543
Diesel Excise	\$1,197	-\$12	\$1,134	-\$127
Weight Fees	\$1,165	-\$61	\$1,139	-\$131
Diesel Sales	\$943	+ <b>\$2</b> 7	\$578	-\$386
Transportation Improvement Fee (TIF)	\$1,725	+\$190	<b>\$1,72</b> 7	+\$85
Road Improvement Fee	\$1	+\$1	\$10	-\$1
dollars in millions				

### **County Formula Transportation Funds**

- \$246 million reduction to counties as compared to January 2020 estimates
- Highway Users Tax Account (HUTA)
  - \$70 million reduction to counties in 2019-20
  - \$60 million reduction to counties in 2020-21
- Road Maintenance and Rehabilitation Account (RMRA)
  - \$59 million reduction in 2019-20
  - \$57 million reduction in 2020-21

# **Ongoing Uncertainty**

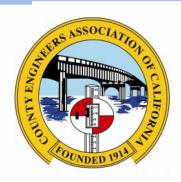
- How long do revenue reductions last?
- Are there permanent changes to travel behavior?
- Fee-based revenue streams more stable than fuel-based revenue streams

### **County Stimulus Priorities**

- Backfill HUTA and RMRA losses by formula
- Maintain fix-it-first strategy
- Prioritize local bridge funding
  - Nearly \$400 million in shovel-ready or nearlyready local bridge projects in California
- Prioritize local safety projects
  - Local agencies could put out approximately \$200 million in short lead-time/"quick-build" safety improvement projects







# **Questions?**

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