

WHAT TOWNS IN THE SOUTHWEST REGION SHOULD KNOW ABOUT THE DRAFT TEN YEAR TRANSPORTATION IMPROVEMENT PLAN, 2013-2022

THE PLAN

- The purpose of the Ten Year Plan is to develop and implement a plan allowing New Hampshire to fully participate in federally funded transportation improvement projects as well as to outline projects and programs supported with State transportation dollars. It is updated every two years.
- Although the Plan covers a 10-year period, the federal government only requires New Hampshire to program the first four years of the plan (in this case FY 2013-2016) in order to use obligated federal funds. The remaining six years of the plan are the result of the state intent to have a “guideline for transportation projects in the state” for ten years (RSA 240:1).
- The latest draft Plan is based on a scenario in which the federal government provides roughly \$100 million per year to the State of New Hampshire (a reduction of 33% from previous years). However, under the \$100 million scenario, the draft Plan remains oversubscribed by between \$14 and \$28 million each year of the Plan. This is the third Plan in a row that has seen a reduction in the budget as well as additional deferrals of projects.

THE BUDGET

- Federal funding and state funding provide roughly 43% and 36% of the total contribution to the Plan, respectively. Much of the state’s 36% contribution does not represent new dollars. New Hampshire’s draft Plan proposes matching federal cash with toll credits that the State has accrued in the past for investing toll revenue in its turnpike infrastructure.
- The draft Plan proposes reducing “mandatory” federal programs by 50% including the Transportation Enhancement Program (TE) and Highway Safety Improvement Program (HSIP) in order to fill the gap made by state revenue shortfalls. These mandatory programs have been some of the most effective ways to invest federal dollars quickly in the Southwest Region. In addition, \$800,000 per year of flexible federal funds that have been used in the past for transit is proposed for other revenue shortfalls.
- Aside from collecting toll revenue for use on the turnpike system, the single source of highway and bridge infrastructure funding in New Hampshire is the state gas tax. The state gas tax is 19.6 cents per gallon and was last raised in 1992 when the average price of gas was \$1.13 a gallon. Each penny of the state gas tax provides the State Highway Fund \$8.3 million annually. 18 cents of the 19.6 gas tax go to four state programs: the NH Highway Block Grant Program, the State-Aid Bridge Program, the State-Aid Highway Program and the Betterment Program. Even though construction materials and labor costs have increased sharply, the state gas tax has remained constant for nearly 20 years. The remaining 1.6 cents goes toward oil pollution control and underground storage tank cleanup.
- In the previous two years, in order to make up for revenue shortfalls, the state assessed drivers a surcharge of \$30 to \$75 on their vehicle registrations, based on the weight of the vehicles. The fee brought in roughly \$90 million over the two-year period before the revenue source was ended on July 1, 2011. All but roughly \$18 million of the total raised by the surcharge went toward road maintenance and transportation projects including an additional \$10 million towards highway block grant aid.

THE IMPACTS

- With the State's current plan to match federal dollars with toll credits instead of new dollars, the Federal Highway Administration (FHWA) estimates that the State will fail to leverage \$30 million of state investment towards transportation projects per biennium.
- The Southwest Region makes up about 8% of the State's population and hosts 12% of the State's total road and bridge mileage. The total amount of investment planned for the Southwest Region in the Plan is about 3% over the ten year period and the Southwest Region's share of disinvestment (projects moved to the Plan's deferral list) is 17%. About 2% of total investment is specifically assigned to Southwest Region projects in the first 4 years of the Plan.
- With current funding levels, NHDOT anticipates removing 16 red-listed bridges in the next biennium compared to 30 during the last biennium. In the Southwest Region the draft Plan proposes fixing 3 of 18 state red list bridges and 12 of 68 municipal red list bridges over the 10-year period.
- Currently about \$5 million worth of projects in the Southwest Region are already programmed to be funded from mandatory federal programs such as TE and HSIP in our Region and it is unclear what impact the 50% reduction will have on these and other future candidate projects.
- For this year and next year, \$178,364 of federal flexible highway funds will be used to provide public transit in our Region for people that do not own a car or can't drive. This is estimated to provide over 5,700 new trips to citizens in our Region. The draft Plan does not continue the "flexing" of this funding towards the Region's transit needs.
- Without action to address a revenue shortfall, the State will see its \$37.5 million Betterment (basic maintenance) program reduced by 40% to \$22.5 million per year. The \$10 million surplus that has gone towards the Highway Block Grant Program in the last two years has ended.

OPPORTUNITY FOR PUBLIC INPUT

- Towns can learn more about the draft Ten Year Plan and offer comments, feedback and testimony at one of 37 Governor's Advisory Commission on Intermodal Transportation (GACIT) hearings scheduled this fall. The following GACIT hearings are scheduled in the Southwest Region:
 - October 6th, 7:00 p.m., Peterborough Town Hall, Upper Hall, 1 Grove Street
 - October 20th, 7:00 p.m., Keene Parks and Recreation Building, Room 14, 312 Washington Street
- Written comments should be addressed to William E. Watson, P.E., Bureau of Planning and Community Assistance, NHDOT, 7 Hazen Drive, PO Box 483, Concord, NH 03302-0483.

USEFUL LINKS

- More information about the draft Plan including proposed projects can be found at <http://www.nh.gov/dot/org/projectdevelopment/planning/typ/index.htm>
- A presentation on the 2010 findings of the State's "Commission to Study Future Sustainable Revenue Sources for Funding Improvements to State and Municipal Highways and Bridges" is available at www.nhgoodroads.org/UploadedFiles/Files/FinalReport.ppt