

Elements
of
Senator Rielly and Representative Tjepkes
Bipartisan Legislation
to
Address Iowa's Critical Road Funding needs

The legislation being proposed by Senator Tom Rielly (D-Oskaloosa) and Representative David Tjepkes will implement the recommendations of Governor Branstad's Transportation 2020 Citizens Advisory Committee.

The bill will:

1. Increase the gas tax four cents in 2013 and an additional four cents in 2014.
2. Will increase the "fee for new registration" of vehicles from five percent to six percent which will tie the registration fees to the state's sales as it was prior to the passage of local option sales taxes.
3. Apply a fee to an annual registration fees for hybrid or alternatively fueled vehicles that are using our roads and bridges but are paying nothing or very little to use those roads.
4. Specify that new funding gained through these revenue sources will be dedicated to the TIME 21 account to the statutory cap of \$225 million and the remaining new funds realized by these sources will be distributed consistent with the Road Use Tax Fund distribution formula.
5. Change the code to require the periodic review of road fund revenues and the sufficiency of those revenues for the projected construction and maintenance needs of city, county and state governments to every two years rather than the current five years.
6. Mandate the Iowa DOT to annually convene a meeting with cities, counties and the state to review the operation, maintenance and improvement of Iowa's public roadway system to identify ways to jointly increase efficiencies.

In addition to the above recommendations from the Governor's Citizen Advisory Committee, the bill also calls for:

- Reimbursement costs paid out of the road fund receipts to other state agencies for services to be reimbursed from the general fund
- Renaming driver license fees so these funds will have the same constitutional protection as the gas tax and registration fees do today, thus assuring that these fees will be used exclusively as they were intended – on our streets and roads.

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