

Fiscal Highlights

B&C Roads Funding May Reach \$175 Million in 2017 - Thomas E. Young

The 4th Special Session of the 2016 Legislature addressed B and C Roads funding. Among the formula questions addressed were the growth rate applied to hold harmless counties, how the allocation from non-hold harmless entities to hold harmless entities is achieved, and in which fiscal years various allocations are made. In the discussion of B and C Roads funding, the two questions most often asked were what type of growth B and C Roads funding has had throughout the years and what type of an effect the gas tax increase has had on B and C Roads revenue. The following graphic has that look.

Overall, B and C Roads funding has grown from \$65 million in 1997 to about \$149 million in 2016. If current growth rates are indicative of where revenue to B and C Roads is going, revenue to B and C Roads may reach \$175 million by the end of FY 2017.

On the question of the most recent tax increase: the trend in revenue before the gas tax increase was for B and C Roads funding to reach about \$140 million in 2016 and \$148 million in 2017. Taking the actual or estimated revenue for FY 2016 and FY 2017 and subtracting off what would have happened without the gas tax increase means the gas tax increase increased revenue to B and C Roads by about \$9 million in 2016 and \$27 million in 2017.

B&C Roads Allocation

