

BALLOT MEASURES AND LOCAL INITIATIVES

Local level impacts to leverage private investment, Federal funding and financing resources for infrastructure improvement and development.

Fear of losing the next election has long been a threat hanging over the heads of those elected officials who have voted for an increase in their state's gas tax. According to analysis of past ballot measures and re-election campaigns however, more than 90% of legislators who sponsored bills to increase their state's retail gas tax were in fact re-elected.

Eighteen states increased their gas tax rates or equivalent measures between 2013 and 2016 — California, Georgia, Iowa, Idaho, Massachusetts, Maryland, Michigan, Nebraska, New Hampshire, New Jersey, Pennsylvania, Rhode Island, South Dakota, Utah, Virginia, Vermont, Washington and Wyoming.

Beyond transportation infrastructure, elected officials at every level of governance face a rising tide of demand to address the needs of the citizens who voted them into office. These include public safety, transportation affordability and accessibility, modernization of airports, water and wastewater treatment, locally impactful storm water management, as well as municipal buildings and community use facilities.

Support for Public Private Partnerships has become a viable option for procurement to improve the state of infrastructure across a broad range of asset classes. Looking ahead to November 6th, there are a number of ballot initiatives which may have an impact on P3s.

2018 AT THE BALLOT BOX



There is an effort to repeal SB1, the transportation omnibus funding bill (which passed in 2017, with overwhelming voter support). If Proposition 6 passes, the gas tax approved in 2017 would be repealed. It would impact hundreds of state transportation projects.



SB1 is Colorado's transportation appropriations bill. Enacted by the Governor, it stipulates a ballot measure, which, if successful, would raise significant funding for transportation at the CDOT, regional mobility authority and local levels. Proposition 110 is viewed as the most responsible option for addressing new funding for CDOT.



Amendment 5 would require a Two-Thirds Vote of Legislature to Increase Taxes or Fees. This is a legislatively referred constitutional amendment. Opposing this measure would allow the Florida's state legislature to continue to enact new taxes or fees or increase existing ones, except the corporate income tax, through a simple majority.



2017 BALLOT MEASURES

On Election Day 2017, taxpayers demonstrated overwhelming support for transportation funding in 20 states. Voters approved more than 80% of 215 transportation investment ballot measures. The approved measures will support \$2.9 billion in new transportation investment revenue and \$1.3 billion in continued funding through tax extensions or renewals.



Approved the only statewide measure—a \$105 million transportation infrastructure bond— with 72% support.



Pinal County voters approved a half-cent sales tax that will total \$640 million for highway construction over the next 20 years.



Pinellas County approved renewal of a 1 cent countywide sales tax will provide a total of \$412 million for road, bridge and trail projects.



Voters in Denver also approved a measure to provide a \$415.5 million bond to fund road and bridge repairs as part of a larger \$937 million bond package that voters signed off on.



Voters approved all 12 sales tax measures on the ballot. As part of the state-wide transportation funding increase passed in 2015, legislators included a provision to allow local governments to raise revenue for infrastructure investment through ballot initiatives.



On Oct. 14 voters agreed to dedicate all revenue from new taxes on motor fuel (created on or after July 1, 2017) to a construction sub-fund of the state's Transportation Trust Fund. It will be used by state and local governments solely for the construction and maintenance of transportation infrastructure.



Approved a \$1.6 billion bond with 73 percent support.

Including 2017 results, voters have approved 74 percent of over 1,200 transportation investment ballot measures (cumulatively tracked by ARTBA-TIAC since 2007).



2016 BALLOT MEASURES

The 2016 elections brought a new resident to 1600 Pennsylvania Avenue in Washington, DC. That notable Election Day also delivered a number of ballot measures which can have a direct impact on infrastructure.

A common attribute of these ballot initiatives is the "local impact" theme. This aligns closely with the Trump Administration's push for identifying local, regional or state programs that would raise revenue to support infrastructure projects.



Ballot 'Measure M' (\$120B) for LA County – LA Metro is a \$0.005 sales tax, without sunset.



Bonds for Atlanta mass transit, for an expanding P3 market, including social and civil (GDOT) - passed bond referendum to fund mass transit in and around Atlanta, and connecting road network.



Passed "lock box" referendum to ensure that revenue collected will be set-aside for road and transportation uses.



Passed a statewide bond referendum whose purpose, in part would help pay for state contributions to the transit P3 (Purple Line).



Passed ballot measure to protect transportation revenues, aligned with recently enacted retail gas tax hike of \$0.23 per gallon will be protected ("lock box") to support transportation trust fund.



Had recently passed gas tax hike, to be utilized specifically for P3 and transportation projects.



Passed bond referendum - Sound Transit (\$54B) Seattle, investment in mass transit, bus rapid transit & transit-oriented development.

The key is that these local revenue streams can be seen as evidence of both a demonstrated need, as well as the political willingness to propose and endorse what might have otherwise been seen as a controversial measure. Re-election is still conceivable, even with support for a gas tax increase.