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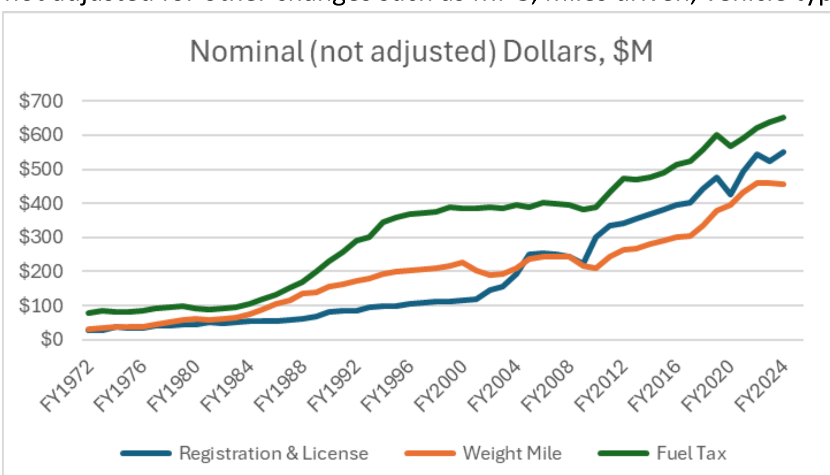
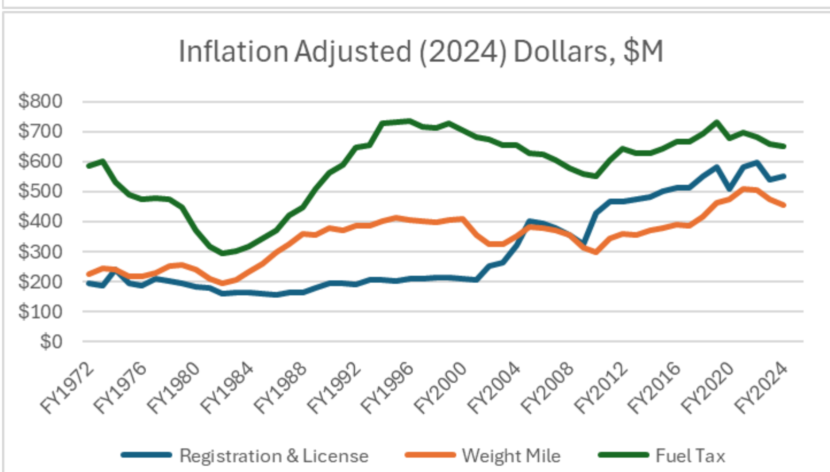
Responses to Questions from the Joint Interim Committee on Transportation Funding.

1. **Has there been a time when the revenue received from the gas tax, title/registration fees, and weight-mile tax has been greater than today?**

The charts below show the revenue collected from these three sources since 1972 in both nominal dollars and inflation adjusted dollars. With respect to nominal dollars, recent collections are at peak levels. With respect to inflation adjusted dollars, fuel tax collections have been higher, for example in the 1990s. It's important to note these figures are not adjusted for other changes such as MPG, miles driven, vehicle type, or vehicle ownership.





2. **Does LC 2 get us to cost responsibility between light and heavy vehicles?**

   The question of achieving cost responsibility is a nuanced topic that requires more than a simple yes/no answer and involves both revenue and spending decisions. Many technical considerations are involved with the HCAS calculations. And as recent history has shown, changes in spending patterns can have a significant impact on the equity ratios. As we move further from the 2025-27 biennium, estimates become increasingly sensitive to necessary assumptions. That said, current estimates indicate the measure is nearly balanced for 2025-27. For subsequent biennia, estimates indicate that it remains close to balance, but with light vehicles overpaying by roughly $100M per biennium, under current assumptions. At this level, it is close enough to balance that we are not able to conclude that any adjustments would be required. More broadly, revisiting the policy approach and calculation methods employed in developing the HCAS model and report, as directed in the legislation, is a prudent endeavor given the recent history and the impending tax policy changes (if the bill were to become law). Another policy consideration is the optimal timeframe for determining cost responsibility, whether that be a single biennium or multiple biennia.