Overview

Transportation Funds
  ◦ Mass Transportation–Related Funds
  ◦ Highway and Road Funds

Other Funding Sources

Transportation–Related Entities
Transportation Funds—Related to Mass Transportation

- Commuter Rail Service Fund
- Electric Rail Service Fund
- Industrial Rail Service Fund
- Public Mass Transportation Fund
- High Speed Rail Development Fund
- Cumulative Transportation Fund
- Improvement Reserve Fund
- Chicago, South Shore, and South Bend Railways Capital Improvements Fund
- Local Infrastructure Revolving Fund
Transportation Funds – Related to Highways and Roads

- Motor Vehicle Highway Account
- Highway, Road, and Street Fund
  - Primary Highway System Special Account
  - Local Road and Street Account
- State Highway Road Construction and Improvement Fund
- Major Moves Construction Fund
- State Highway Fund
- Alternative Transportation Construction Fund
Commuter Rail Service Fund

- Statutory Authority: IC 8-3-1.5-20.5

- Distributions to commuter transportation districts – NICTD
  - Maintenance, improvement, and operation of commuter rail service

- FY 2008 Revenue to NICTD $13M
  - 0.123% of sales tax collections $7.9M
  - Portion of rail car property tax $5.1M
  - Total $13.0M
Electric Rail Service Fund

- Statutory Authority: IC 8-3-1.5-20.6

- Distributions to Northern Indiana Commuter Transportation District (NICTD) in which substantially all transportation is performed by electrically powered railroads

- Funding Source: Portion of rail car property tax

- FY 2008 Revenue: $187,588
Industrial Rail Service Fund

- Statutory Authority: IC 8–3–1.7
- Funding Sources
  - 0.029% of sales tax collections
  - Proceeds from the sale of certain rail properties
  - Repayment of IRSF loans
- FY 2008 Revenue: $1.87M
- Money in the fund may be transferred to the High Speed Rail Development Fund
Grants to Class II and III railroads or port authorities

- Upgrading track conditions to maintain and increase existing business shipping levels

- Assist in funding needed track infrastructure improvement related to new development

- Award may not exceed 75% of total project cost

- Maximum award
  - Railroad $350,000
  - Port authority $184,000
Statutory Authority: IC 8–23–3–8

Purpose
  ◦ Promote and develop public mass transportation

Administered by INDOT
  ◦ 12.34% set aside to NICTD
  ◦ Performance–based allocation to bus systems
    • Large fixed route
    • Small fixed route
    • Urban demand response
    • Rural demand response
Funding Source
- 0.67% of sales tax collections

FY 2008 Revenue: $43M

PMTF is used for federal matching grant program at the local level
High Speed Rail Development Fund

- Statutory Authority: IC 8–23–25
- Promote and develop high speed rail travel
- Administered by INDOT
- Funding Sources: Transfers from Industrial Rail Service Fund
- Permissible Uses
  - Disbursements to Interstate Rail Passenger Advisory Council – See IC 8–3–19, Interstate High Speed Rail Compact
- FY 2008 Revenue: $103,292
Cumulative Transportation Fund

- Statutory Authority: IC 36–9–4–48

- Creation
  - Follow procedures in IC 6–1.1–41 concerning cumulative fund tax levies
  - Municipal legislative body or board of directors of a public transportation corporation

- Purpose
  - Implement IC 36–9–4 concerning urban mass transportation systems and public transportation corporations

- This is a local fund.
**Improvement Reserve Fund**

- **Statutory Authority:** IC 36–9–4–57
- **Created by board of directors of a public transportation corporation**
- **Permissible Uses**
  - Purchase specific real property or major equipment (buses)
  - Make improvements to specific real property
- **This is a local fund.**
NICTD reports that this fund is no longer operational

Statutory Authority: IC 8-3-1.5-21

Funding Source
- $3.6 million one-time appropriation (1975)

Permissible Uses
- Distributions to NICTD
- Contingent on $1 million expenditure by Illinois
Local Infrastructure Revolving Fund

- Statutory Authority: IC 4–10–19

- Provide grants or loans to local governments
  - Highways, roads, and streets
  - Public mass transportation systems

- Grant or loan limited to lesser of
  - $5 million
  - 10% of total project cost

- The State Budget Agency reports that no funds have ever been appropriated for these purposes and that the Local Infrastructure Revolving Fund is now obsolete.
Transportation Funds – Related to Highways and Roads
Motor Vehicle Highway Account

- Statutory Authority: IC 8–14–1

- FY 2008 Total Revenue: $726.5 M
  - Off the Top Expenses
    - Indiana State Police (net) $86.5M
    - Other Expenses $77.8M
      - BMV $50.0M
      - Department of Revenue $11.4M
      - Other (inc. traffic safety) $16.4M

- FY 2008 Revenue Available for Distribution: $589.3M
  - INDOT $297.9 M
  - Counties $198.2 M
  - Cities & Towns $93.2 M
  - Total $589.3 M
Funding Sources:
- Vehicle registration, title, and other BMV fees
- Gasoline and special fuel taxes (less refunds)
- Motor carrier surtax, highway user fee, and trip permit fee
- Motor carrier fund surplus
- Share of abandoned vehicle fund
- Share of odometer fund
- Share of state court costs
- Miscellaneous receipts (State Police, traffic safety)

Permissible Uses:
- Construction, reconstruction, improvement, maintenance, and policing of state highways. *Id.*
- Maintenance of covered bridges. IC 8–14–1–10
- County engineers. IC 8–17–5
Highway, Road, and Street Fund

- Statutory Authority: IC 8–14–2–2.1

- Funding Sources
  - Gasoline and Special Fuel Taxes dedicated under IC 6–6–1.1–802 and IC 6–6–2.5
  - Certain motor vehicle fees (1969 increase)
    - Certificates of title
    - Motor vehicle registration and plates
    - Licenses and permits
    - Accident reports

- FY 2008 Revenue: $174.7M
Statutory Authority: IC 8–14–2

Funding Sources
- 55% of money in the Highway, Road, and Street Fund

Permissible Uses
- Engineering
- Land acquisition
- Construction, resurfacing, restoration, and rehabilitation of highway facilities

FY 2008 Distribution: $96.1M
Local Road and Street Account

- Statutory Authority: IC 8-14-2-4
- Funding Sources
  - 45% of money in the Highway, Road, and Street Fund
- Permissible Uses
  - Engineering
  - Land acquisition
  - Construction, resurfacing, restoration, and rehabilitation of local and arterial roads and streets
  - Debt reduction on road or street projects
  - Highway equipment
- FY 2008 Distribution: $78.6M
Statutory Authority: IC 8–14–14–5

Distributions:
- $150M to MVHA
- $120M to NIRDA
- $240M to certain counties for deposit in their local major moves construction funds
- $179M to State Highway Fund
  - Preliminary engineering, purchases of rights–of–way, or construction of highways, roads, and bridges
Funding Sources

- Toll road fund distributions IC 8–15.5–11
- Next Generation Trust Fund distributions IC 8–14–15
- Designated toll revenues

FY 2008 Balance: $2.47B
Alternative Transportation Construction Fund

- Statutory Authority: IC 8-14-17

- Purpose
  - Funding projects under IC 8-15.7 for passenger and freight railroad systems

- Trust fund administered by INDOT

- Funding Source:
  - Payments made from operators under IC 8-15.7 concerning passenger and freight railroad systems
  - The State Budget Agency reports that this fund was never created.
Statutory Authority: IC 8–23–9–54

Funding Sources
- Gasoline and motor carrier fuel taxes
- Motor carrier fuel surcharges and trip permit fees
- Commercial motor vehicle carrier permit fee
- Deposits from MVHA and HRSF
- Federal aid

FY 2008 Revenue: $679.9 M
Permissible Uses

- Operation of INDOT
- Construction, reconstruction, operation, maintenance, and control of state highways and tollways for which INDOT is responsible

- May **not** be used to provide operating subsidies to support a public transportation system or commuter transportation system
Statutory Authority: IC 8–14–10

Funding Sources
- 1/9 of gasoline taxes collected under IC 6–6–1.1

Permissible Uses
- Construction and reconstruction of highways
- Engineering and legal expenses
- Feasibility studies

May **not** be used to subsidize a public or commuter transportation system

FY 2008 Revenue: $61.5 M
Lake County Employment Tax IC 6–3.5–2
- Lake County does not currently impose a tax
- $0.50 per employee per month deposited in the Lake County Mass Transportation Fund

Federal Transportation Funds
- Administered by INDOT See IC 8–23–3
  - Aviation Trust Fund (49 U.S.C.)
  - Federal Transit Administration (40 U.S.C. 1602 et seq.)
- FY 2009 apportionment $930M

Bonding Authority
Commuter Transportation District

- IC 8–5–15–5(a)(14); IC 8–5–15–5.4

Automated Transit District

- IC 8–9.5–7; no ATDs exist

Northwest Indiana Regional Development Authority

- IC 36–7.5–4

Regional Development Authorities

- IC 36–7.6–4–3

Lake County Regional Transportation Authority – Regional Bus Authority

- IC 36–9–3–31

Public Transportation Corporations (or municipalities)

- IC 36–9–4–42(a)(1); IC 36–9–4–43; IC 36–9–4–44
Transportation–Related Entities

- Commuter Transportation Districts
- Northwest Indiana Regional Development Authority
- Regional Development Authorities
- Regional Transportation Authorities
- Public Transportation Corporations
  - Urban Mass Transportation Systems
- Automated Transit Districts
- Interurban Railroads
Commuter Transportation District

- **Statutory Authority: IC 8–5–15**
  - A commuter passenger railroad that serves passengers in more than one county

- **CTD is a municipal corporation: IC 8–5–15–2**

- **Powers**
  - Issue bonds
  - Eminent domain

- **Funding Sources**
  - Commuter Rail Service Fund
  - Electric Rail Service Fund
  - Public Mass Transportation Fund
Board of Trustees: IC 8–5–15–3
- 4 members, 1 from each member county, appointed by the county’s board of county commissioners
- 4 members, 1 from each member county who is the president of the county council (or designee)
- 3 members appointed by governor
  - 1 statewide member
  - 1 passenger member
  - 1 member who is an employee of the CTD
Statutory Authority: IC 36-7.5

Separate body corporate and politic
- Commuter transportation district
- Regional bus authority
- Regional transportation authority

Duties and Powers
- Coordinate regional transportation and economic development efforts
- Fund bus services and related projects
- Make loans and grants
- Issue bonds (to date, the Authority has not issued any bonds)
Fund projects:

- Airport Authority Project (Gary/Chicago International)
- Commuter Transportation District Project (NICTD)
- Economic Development Project
- Regional Bus Authority Project (Northwestern Indiana Regional Bus Authority)
- Regional Transportation Authority Project
- Shoreline Development Commission Project (Marquette Greenway)
Development Board: IC 36-7.5-2-3

- 2 members appointed by governor
- 1 member appointed jointly by county executive and county fiscal body of Porter County
- 4 members from Lake County
  - 1 member appointed by mayor of Gary
  - 1 member appointed by mayor of Hammond
  - 1 member appointed by mayor of East Chicago
  - 1 member appointed jointly by county executive and county fiscal body and who does not live in Gary, Hammond, or East Chicago
Funding Sources

- $3.5M annual contribution from Gary, Hammond, East Chicago, Lake County, and Porter County = $17.5M annually
  - Casino revenue
  - EDIT revenue

- $40M in FY 2007 from Major Moves. $20M of this one-time contribution was used for expenses related to the Gary–Chicago International Airport expansion, such as land acquisition and moving a gasoline tank and burying power lines in the expanded runway area.

- $10M annually from Major Moves for FY 2008 through FY 2015
Regional Development Authorities

- Statutory Authority: IC 36–7.6

- Separate body corporate and politic

- Powers
  - Make loans and grants
  - Issue bonds

- Development Board: IC 36–7.6–2–7
  - 1 member appointed by executive of each member county
  - 1 member appointed by executive of each member second class city
  - 1 or more members appointed by governor
    - If RDA receives state funding
Regional Transportation Authorities

› Statutory Authority: IC 36–9–3

› Creation
  ◦ County or municipal fiscal body may adopt ordinance

› Purpose
  ◦ Supports public transportation system that operates within boundaries of a transportation planning district designated by INDOT

› Local legislative body may shift power from existing PTC to RTA
Board: IC 36–9–3–5
  ◦ 2 members appointed by executive of each member county
  ◦ 1 member appointed by executive of largest municipality in each member county
  ◦ 1 member appointed by executive of each second class city in each member county
  ◦ 1 member from any other political subdivision with transportation responsibilities in a member county

Marion County and Lake County boards have special memberships
Statutory Authority: IC 36–9–4

Creation: IC 36–9–4–10
- Municipal legislative body adopts ordinance
- Ordinance may also establish taxing district

Board of Directors: IC 36–9–4–14(a)
- 5 or 7 members
- Director must reside in taxing district
Funding Sources for UMTS
- Bonds
- Loans
- Grants or contributions

Powers of PTC board
- Levy tax under IC 36-9-4-49
- Use COIT revenue
- In Marion County, use part of certified distribution received under IC 6-3.5-6-17
Automated Transit District

- Statutory Authority: IC 8–9.5–7
- There are none in existence today.
- City legislative body adopts ordinance
  - Indianapolis and South Bend
- Powers
  - Make loans and issue bonds
  - Eminent domain
- Commission: IC 8–9.5–7–4
  - 2 members appointed by the city executive
  - 2 members appointed by the city legislative body
  - 1 member who is the head of the city’s department of public works or department of transportation
Interurban Railroads

- Statutory Authority: IC 8–5–1
- High speed electric trolleys carrying passengers between cities
- No longer in existence