

SURFACE

A PROGRESS REPORT ON OKLAHOMA TRANSPORTATION • WWW.RESTORETRUST.ORG



TRANSPORTATION REVENUES USED STRICTLY FOR TRANSPORTATION

Surface is a publication of TRUST dedicated to bringing news about the financing of Oklahoma's transportation infrastructure to community, business and policy leaders around the state. This biannual publication has a central focus of:

- Federal and state funding
- Regulatory news from State Capitol and Congress
- TRUST events and news
- Innovative topics on transportation funding

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THE FIRST SESSION OF THE 54TH OKLAHOMA LEGISLATURE

LEGISLATURE MAINTAINS TRANSPORTATION PROGRESS IN ADVANCE OF ELECTION YEAR

THE FIRST SESSION of the 54th Oklahoma Legislature began February 4th and adjourned a week earlier than required on May 24th. Governor Mary Fallin kicked off the session with her annual State of the State address where she outlined several initiatives including workers' compensation reform, reducing the state income tax and repairs to the aging state Capitol building. With regards to transportation, the legislature and governor's FY-14 budget fully funds the continuation of the Oklahoma Department of Transportation's eight-year highway and bridge construction work program as well as an initiative, passed during the 2012 legislative session, to repair or replace the remaining structurally-deficient bridges on the state system, widening the Creek and Kilpatrick turnpikes and providing additional funds and recycled beams from the former I-40 Crosstown Expressway to counties to address deficient bridges on the county system.

The Oklahoma economy continues to improve, largely spurred by an ever-growing energy sector, when compared to the rest of the nation and Oklahoma boasts one of the nation's lowest unemployment rates. The Constitutional Reserve "Rainy Day" Fund has been restored to a record level and the state's economic outlook is very bright as the legislature, governor and statewide elected officials head into the 2014 election year. Oklahoma's steady economic growth has positioned the state – and transportation – well for the future, however modernizing Oklahoma's transportation infrastructure on all levels is never over. We must continue to advocate for proper investment in highway and bridge renovation and construction at every turn. The legislature has returned transportation as a core state government priority over the past eight years greatly benefiting the citizens of Oklahoma and motorists from beyond our borders. The challenge moving forward for TRUST and all those who work to improve Oklahoma's transportation infrastructure is to remain committed to working with the legislature and governor to ensure that the needs of transportation continue to remain a priority of our government.

Different legislative sessions bring different issues and different results. Success at the state Capitol is often measured in small ways; other times it is measured on a larger scale. The



common thread of success is hard work and dedication to an issue or cause. Since 2005, the members of TRUST have dedicated themselves to a modern, safe and efficient infrastructure system stretching all across Oklahoma, and thankfully, we have seen very measurable success. 2014 will bring a new legislative session, an election year and most certainly new challenges and opportunities to improve state infrastructure on many levels. TRUST stands ready for these challenges and opportunities. ■

SECRETARY FOXX VISITS OKLAHOMA; TOURS I-44/I-235 INTERCHANGE PROJECT

U.S. SECRETARY OF TRANSPORTATION Anthony Foxx, the former mayor of Charlotte, North Carolina, made his first trip to Oklahoma August 30th to participate in a transportation roundtable discussion at the Oklahoma Department of Transportation hosted by U.S. Senator Jim Inhofe. Participants in the roundtable, which included Governor Mary Fallin, Oklahoma Secretary of Transportation Gary Ridley, ODOT officials and several TRUST

members, discussed numerous issues facing the transportation industry across the United States now and into the future. At the conclusion of the roundtable, Secretary Foxx was given a tour of the I-44/I-235 interchange reconstruction site in Oklahoma City followed by a news conference. The multi-stage project is expected to be completed in 2020 and represents one of the largest interchange reconstructions in the country.



Joining U.S. Secretary of Transportation Anthony Foxx (center) at the I-44/I-235 reconstruction site in Oklahoma City are Oklahoma Secretary of Transportation Gary Ridley, U.S. Senator Jim Inhofe, Governor Mary Fallin and ODOT Director Mike Patterson.

2013 TRANSPORTATION LEGISLATION ANALYSIS

The FY-14 budget agreement between Governor Fallin and legislative leaders limits the size and growth of government while increasing funds for core areas, including transportation. The total appropriation for the Oklahoma Department of Transportation (ODOT) for FY-14 is \$208,707,119, representing a \$2.3 million increase from FY-13. The increase is from additional gas and diesel tax collections and ensures ODOT's eight-year highway and bridge construction plan remains intact while implementing the Bridge Improvement and Turnpike Modernization plan proposed by Governor Fallin in 2011 and passed by the legislature in 2012.

Protecting the eight-year highway and bridge construction plan equates to an annual increase of \$59.7 million each year until the total increase in the ROADS program equals \$575 million. Furthermore, current law continues to gradually reduce, over a three-year period, the amount of motor vehicle collections for licensing fees and penalties currently going to the General Revenue Fund from 29.84 percent to 24.84 percent and directs the five percent balance to the County Improvements for Roads and Bridges (CIRB) Fund. The CIRB is currently funded with 15 percent of motor vehicle taxes and fees. Legislation passed in 2012 increased the estimated annual funding for the CIRB from approximately \$80 million to more than \$111 million.

Currently, 556 of the nearly 6,800 bridges on the state highway system are structurally-deficient. All are scheduled to be replaced or rehabilitated in the next seven years providing ODOT with the opportunity to focus on other critical highway system issues moving forward.

A measure, HB 1080, that would have moved 2.5 percent of motor vehicle fees going to the General Revenue Fund in FY-14 and another 2.5 percent in FY-15 to the County Bridge and Road Improvement (CBRI) Fund totaling 5% total over the two-year period is dormant currently as it was not included in the budget agreement between the governor and legislative leaders. The proposed legislation would have allotted to counties based upon the annual proportion that the rural major collector mileage of each county bears to the total statewide rural major collector mileage as determined by ODOT. The estimated over \$30 million in additional funds are transportation revenues generated by road users and would be returned from general government to county transportation needs, reflecting the mission of TRUST.



Representing the Association of County Commissioners of Oklahoma at TRUST Transportation Day at the Capitol are Carla Bonner and Chris Schroder.

The following transportation-related bills were addressed during the 2013 session:

HB 1081 – Rep. Mike Sanders/Sen. Bryce Marlatt

HB 1081 changes the price level required to allow unit price basis in lieu of cost itemization and outlines new language for contracts above \$20,000 that are public competitive projects. HB 1081 was signed into law by the governor.

HB 1525 – Rep. Bobby Cleveland/Sen. Cliff Branan

HB 1525 clarifies the reference to the grantor in relation to the Oklahoma Petroleum Storage Tank Release Indemnity Program. HB 1525 was signed into law by the governor.

HB 1985 – Rep. David Brumbaugh/Sen. Gary Stanislawski

HB 1985 created the Oklahoma Port Task Force. HB 1985 was vetoed by the governor but initiated by Governor Fallin's executive order.

SB 655 – Rep. Fred Jordan/Sen. Mike Mazzei

SB 655 authorizes the Oklahoma Turnpike Authority to build a south Tulsa bridge between Yale and Harvard Avenues. SB 655 was signed by the governor.

LANKFORD, MULLIN HIGHLIGHT TRUST TRANSPORTATION INNOVATION BANQUET

A CAPACITY CROWD of TRUST members, transportation advocates and elected officials were in attendance April 1st at the annual TRUST Transportation Innovation Banquet held at the Jim Thorpe Museum and Hall of Fame in Oklahoma City. The annual TRUST Guardian of Transportation Award was presented to former state representative Mark Liotta of Tulsa, and the keynote speaker was Fifth District U.S. Representative James Lankford, chairman of the House Policy Committee and a former member of the House Transportation and Infrastructure Committee. Also addressing the over 225 in attendance was freshman Second District U.S. Representative Markwayne Mullin, whose committee assignments include a seat on the House Transportation and Infrastructure Committee. Both congressmen discussed the state of affairs in Washington, D.C. including the outlook for passage of a long-term funding reauthorization of surface transportation programs. The current two-year reauthorization expires in mid-2014. A long-term reauthorization, supported by Secretary of Transportation Gary Ridley and ODOT leadership, allows planning for ODOT's eight-year highway and bridge construction plan to continue in the future while streamlining, and in many cases, eliminating burdensome federal regulations that have long delayed state construction projects.

Congressman Mullin and Senator Jim Inhofe, a member of the Senate Environment and Public Works Committee, will play pivotal roles in the debate for a long-term reauthorization next year.

Also, Senator Inhofe and Governor Fallin provided moving video tributes at the conclusion of the banquet to Secretary Ridley who retired as ODOT director March 31st after over 45 years with the agency. Thankfully, he continues to serve as Secretary of Transportation in the governor's executive cabinet. ■



A capacity crowd at the TRUST Innovation Banquet listens to keynote remarks from Fifth District U.S. Representative James Lankford.



TRUST president Neal McCaleb presents a retirement present to Secretary of Transportation Gary Ridley during the TRUST Innovation Banquet. Looking on are Second District U.S. Representative Markwayne Mullin and TRUST board members Jim Rodriguez and Jim Duit.

Why Join TRUST?

Be part of the voice for transportation advocacy that works with legislators to implement solutions. Without your membership to TRUST, we risk losing the valuable momentum we have gained over the past eight years. At the State Capitol, we must have a constant and growing voice for transportation and we hope you will join us in this vital cause.

Mission Statement

TRUST, *Transportation Revenues Used Strictly for Transportation*, is an advocacy group dedicated to restoring Oklahoma's transportation infrastructure. We are committed to creating a culture within Oklahoma government that values and adequately funds transportation as a core priority.

Principles of TRUST

- Using all state transportation-related taxes and fees strictly for transportation
- Protecting and growing dedicated funds for Oklahoma's transportation system
- Educating policy makers and the public on the importance of investing in highways and bridges
- Supporting leaders who are committed to transportation as a core priority of state government
- Using high-quality, lasting materials in building and maintaining highways and bridges
- Advocating efficiency and accountability within the Oklahoma legislature and Oklahoma Department of Transportation

TRUST ON THE WEB RestoreTrust.org



Oklahoma Transportation News

Our online news page is updated daily with local and national transportation headlines. To receive articles as they are posted, select the orange RSS feed button located on the news page of the website.



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Events Online

TRUST provides the opportunity to register for upcoming events online. In addition to TRUST events, meetings for other transportation and member organizations are posted. To review the latest transportation happenings in Oklahoma, visit the events page at www.restoreTRUST.org. To have your organizations' activities posted contact TRUST membership director Helra Han at helrahan@gmail.com.

Update Your Member Profile Online

In an ongoing effort to conserve operating funds, TRUST continually updates its mailing lists and contact database. If you wish to continue to receive TRUST mailings, emails and newsletters, or wish to add additional contacts within your organization, please visit www.restoreTRUST.org, click on the contribute page and select "update membership profile."



Former state representative Mark Liotta receives the annual Guardian of Transportation Award from TRUST president Neal McCaleb during the TRUST Innovation Banquet.

◀ Governor Mary Fallin addresses attendees at TRUST Transportation Day at the Capitol.



Pausing for a photo in the Capitol rotunda are AOGC executive director Bobby Stem, Senator Gary Stanislawski, Senate President Pro-Tempore Brian Bingman, Lt. Governor Todd Lamb and Secretary of Transportation Gary Ridley.



Visiting before the TRUST Innovation Banquet are Senator Cliff Branam and Fifth District U.S. Representative James Lankford.

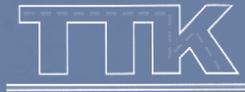


Sharing a laugh during the TRUST Innovation Banquet are Senator Mike Schulz, Second District U.S. Representative Markwayne Mullin and Senator Larry Boggs.

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Dues paid to TRUST, a project of Oklahomans for Safe Bridges and Roads, Inc. are not deductible as charitable contributions. However, 40% of dues paid may be claimed as business expense for federal income tax purposes for fiscal year 2013. Any dues paid used for lobbying efforts are not tax deductible.



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Transportation Day at the Capitol - March 5, 2014

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