

Opt-Out Bill Summary

This bill would grant states the ability to manage their Highway Tax Revenues dedicated for Federal Highway funding or Mass Transit accounts as they would like

Section 2:

- Allows state transportation departments to opt out of the Federal-aid Highway program and instead collect all excise tax revenue collected within that state for the Highway Trust Fund (HTF) for the next year under the following conditions:
 1. The governor of the state must notify the Secretary of Transportation at least 90 days before the start of the upcoming fiscal year that he intends to opt out;
 2. The governor must agree to maintain the interstate system in accordance with its current interstate program;
 3. The governor must submit a plan to the Secretary describing:
 - the purposes, projects, and uses of the highway funding; and
 - which programmatic requirements of Title 23 the State elects to continue;
 4. The governor must agree to obligate or expend amounts received under the program exclusively for transportation projects (defined as projects listed in 23 USC 133(b)). No other federal limitations apply to these funds;
 5. The amount transferred would be equal to the dollar amount that is attributable to highway users in the state. Additionally, states opting out would receive a similar percentage of any General Fund transfers to the Trust Fund;
 6. The governor must agree to report annually to the Secretary on the use of amounts received under the program and to make the report available to the public; and
 7. The governor must certify within 30 days of enactment that funding returned to the state is being used for transportation projects and list the amount.

Section 3:

- Allows state transportation departments to opt out of Mass Transit Account (MTA) and instead collect all excise tax revenue collected within that state for this account for the next year under the following conditions:
 1. The governor of the state must notify the Secretary of Transportation at least 90 days before the start of the upcoming fiscal year;
 2. The governor must submit a plan to the Secretary describing:
 - the purposes, projects, and uses of the mass transit funding; and
 - which programmatic requirements of Title 49 title the State elects to continue;
 3. The governor must agree to obligate or expend amounts received under the program exclusively for transportation projects covered under the MTA. No other federal limitations apply to these funds;
 4. The governor must agree to report annually to the Secretary on the use of amounts received under the program and to make the report available to the public;
 5. States must fulfill their existing commitments made under the federal transit assistance program;
 6. The amount transferred would be equal to the estimated amounts state highway users made to the MTA. Additionally, states opting out would receive a similar percentage of any General Fund transfers to the Transit Account; and
 7. The governor must certify not within 30 days of enactment that funding returned to the state is being used for transportation projects and list the amount