



### IJA/BIL Funding Analysis

The **INFRASTRUCTURE INVESTMENT AND JOBS ACT (IIJA)**, currently referred to as the **BIPARTISAN INFRASTRUCTURE LAW (BIL)**, establishes a number of programs for funding infrastructure that are available to ADOT. The *IIJA/BIL Funding Analysis* provides an overview of these Federal programs, their requirements, as well as other funding sources.

HISTORICAL FUNDING

ADOT  
TOTAL REVENUE  
**\$4.1B**  
FISCAL YEAR '21

**80%**  
IS GENERATED FROM

- Vehicle registrations
- Vehicle titles
- Vehicle license taxes (VLT)
- Fuel and motor carrier taxes
- Capital grants/contributions

APPROXIMATELY  
**51%**  
is distributed to counties and cities

**12%**  
to other state agencies

**37%**  
ADOT's annual operating budget in FY 21.

FEDERAL FUNDING



The **FEDERAL AID HIGHWAY PROGRAM (FAHP)** is a primary source of funding for ADOT infrastructure projects.

The core **FAHP** programs include the:

<b>NHPP</b> National Highway Performance Program	<b>HSIP</b> Highway Safety Improvement Program
<b>STBGP</b> Surface Transportation Block Grant Program	<b>CMAQ</b> Congestion Mitigation and Air Quality

\* Federal Highway Administration

Under **IIJA/BIL**, it is anticipated that annual funding will **increase to \$1 billion – with the largest increases being in NHPP, STBGP, and HSIP.**

Additional programs include the new **Carbon Reduction Program** and the **Promoting Resilient Operations for Transformative, Efficient and Cost Saving Transportation (PROTECT).**

ARIZONA HAS HISTORICALLY RECEIVED \$700–800 MILLION FAHP ANNUALLY.

STATE FUNDING

The Highway User Revenue Fund (HURF) includes collections from:



GASOLINE USE-FUEL TAXES



MVD REGISTRATION FEES & OTHER VARIOUS FEES



MOTOR CARRIER TAXES

FISCAL YEAR '21 REVENUE & SOURCES

REVENUES WERE OVER

**\$1.6B**

**50.5%**

STATE HIGHWAY FUND

**19%**

COUNTIES

**30.5%**

CITIES & TOWNS

STATE HIGHWAY FUNDS are further split with

**15.2%**

of those funds going to

the Maricopa Association of Governments (MAG) and Pima Association of Governments (PAG).

LOCAL/REGIONAL FUNDING

**1/2 CENT**

Sales tax has been approved by voters in both Maricopa and Pima Counties.



IN FY21, revenues from these taxes are deposited into the **REGIONAL AREA ROAD FUND (RARF)** to provide funding for highways and local streets in Maricopa County.

**56%**

STATE HIGHWAY SYSTEM

**33%**

PUBLIC TRANSPORTATION FUND

**11%**

MAJOR ARTERIALS



Revenues from these taxes are used by the **REGIONAL TRANSPORTATION AUTHORITY (RTA)** to provide funding for highways and local streets in Pima County. The Pima County half-cent tax revenues are not included in the ADOT funding analysis as the expenditures tend to be spot improvements within the larger system.




# FEDERAL DISCRETIONARY FUNDS

ADOT has pursued and been successful with discretionary grants but they are not included in future revenue projections as they are competitive and not guaranteed.

Major programs include:

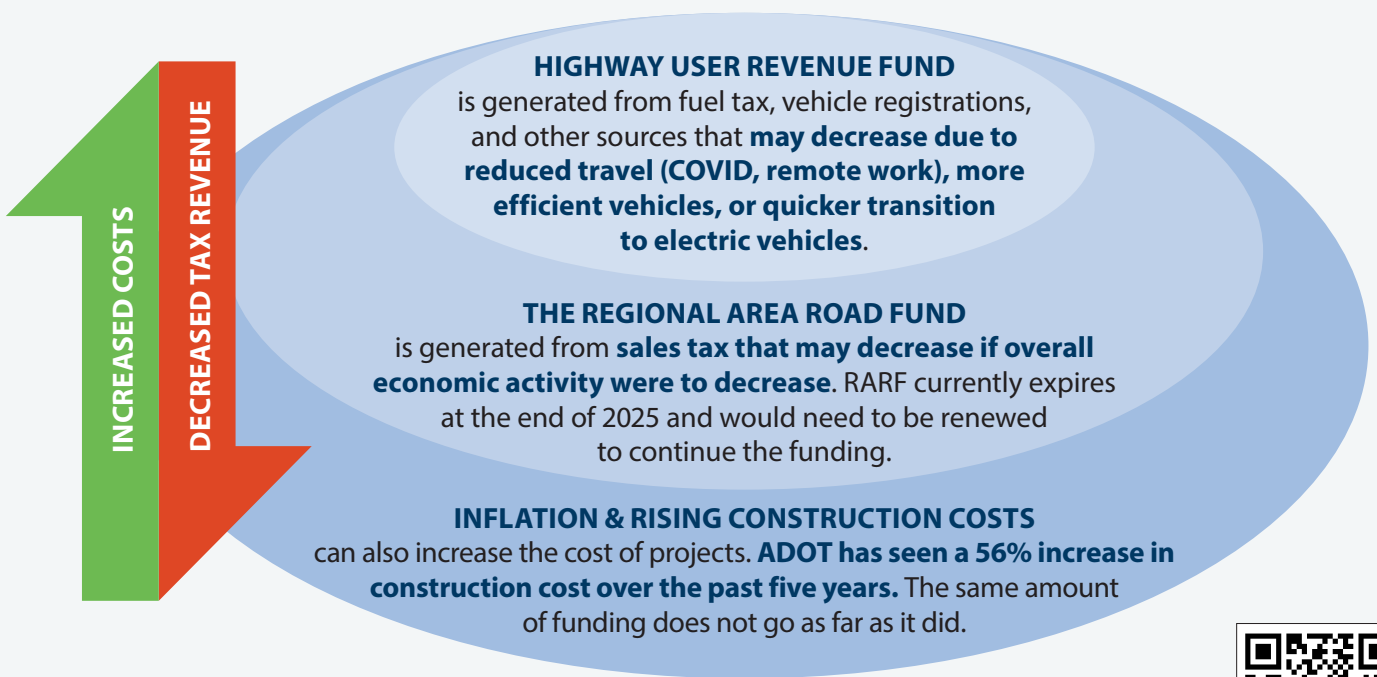
National Infrastructure Project Assistance Program <b>(MEGA)</b>	Rebuilding American Infrastructure Sustainability and Equity Grant Program <b>(RAISE)</b>	Competitive Bridge Investment Program
Infrastructure for Rebuilding America Grant Program <b>(INFRA)</b>		Rural Surface Transportation Program <b>(Rural)</b>

Common financing options are:

TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT (TIFIA)	STATE INFRASTRUCTURE BANKS (SIB)	GRANT ANTICIPATION REVENUE VEHICLES (GARVEE)
Provides federal assistance in the form of direct loans, loan guarantees, and standby lines of credit to finance surface transportation projects of national and regional significance. The program permits repayment over a term of up to 35 years after a project's substantial completion.	Much like a private bank, gives states the capacity to make more efficient use of its transportation funds and significantly leverage Federal resources by attracting non-Federal public and private investment. <b>Arizona established NHS ACT SIB's in 1996 and 1997 with a total of \$46 million in the program.</b>	A type of security (debt instrument) issued to advance the upfront funding of monies that are anticipated from a specific source. <b>In the case of transportation finance, Arizona has utilized 13 GARVEE Bonds over the last 22 years to accelerate Federal expenditures to fund projects.</b>
 FEDERAL	 PRIVATE	 BONDS

FINANCING OPTIONS

FUTURE RISKS



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