

DeIDOT Funding Questions & Answers

Q: What is the current DeIDOT funding situation?

A: DeIDOT has suspended work on a number of projects due to a lack of adequate revenues to fund needed transportation projects. Delaware is growing and developing at an unprecedented rate, faster than anytime in our state's history:

- Construction costs (concrete, steel, fuel) and real estate for rights-of-way have been escalating at a record pace
- DeIDOT's traditional revenue sources (gas tax, tolls and motor vehicle fees) have grown at a much slower rate
 - Transportation Trust Fund (TTF) revenues increased by 29% over the past 10 years
 - General Fund revenues increased at 74% during the same period
- The TTF was created 20 years ago for the sole purpose of funding transportation construction projects. However, over the years, the responsibility for DeIDOT's operating costs, now about \$200 million per year, was transferred from the General Fund to the TTF
 - This \$200 million approximates DeIDOT's funding short fall for a reasonable level of annual capital spending

Q: What is the solution?

A: The Governor and General Assembly recognize this critical problem:

- A Task Force, including top Administration fiscal managers and fiscal leaders from the General Assembly, has worked hard developing and evaluating potential solutions
- Some actions have already taken place:
 - Tolls were raised on I-95 in October
 - DeIDOT will receive additional funds from the federal government as a result of recent congressional action
- These actions are only part of the solution
- The Task Force has submitted its report that includes a number of potential options to increase funding in the TTF to support an adequate level of transportation improvements
- DeIDOT looks forward to working with the Governor and Legislature to address this problem during the 2006 session
- DeIDOT is optimistic that the Administration and Legislature will address the transportation funding needs of our State that are so important to our economic and transportation success

Q: Does the funding issue affect the West Dover Connector?

A: No, not at this time:

- The Administration has determined that the decision on a West Dover Connector preferred alternative cannot be delayed; timely completion of the study is critical
 - Alternative corridors that are available today to address project needs will become more costly if the decision on this project is delayed
 - On-going development may eliminate some alternative corridors, yielding the potential for greater impacts from a preferred alternative
 - The congestion and safety problems that exist today in the study area will continue to worsen with continued planned growth
- The project study, leading to a preferred alternative, has been fully funded
- Be assured that with the resolution of the transportation funding issue, providing the necessary funding to protect the preferred alternative corridor from development will be a DeIDOT priority

WEST DOVER
Connector