



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

CHAD WALLDORF, Chairman
HOWELL CLYBORNE, JR.
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FRANK A. RAINWATER
Executive Director

February 16, 2017

Ms. Catherine McNicoll
Office of the Lieutenant Governor
First Floor, State House
Columbia, SC 29201

Dear Ms. McNicoll:

This letter is in response to your request for the state and federal motor fuel taxes collected for the last three years, distribution of the state motor fuel tax, and the amount of federal motor fuel tax South Carolina received for road funding and other programs.

South Carolina's motor fuel tax rate is \$0.16. Of the \$0.16 on gasoline, \$0.0266 is allocated to "C" funds for counties, \$0.1034 is allocated to the Department of Transportation (DOT) and \$0.03 is allocated to the State Highway Fund. Of the \$0.16 on diesel fuel, \$0.13 is allocated to DOT, and \$0.03 is allocated to the State Highway Fund. In addition to the current \$0.16 motor fuel tax rate, there is a \$0.0075 inspection and environmental impact fee. The revenue generated from the inspection and environmental impact fee is allocated to the Department of Health and Environmental Control, Department of Agriculture, and DOT. The enclosed table shows the state motor fuel revenue distributions from FY 2005-06 to FY 2015-16.

The federal gasoline tax rate is \$0.184, and the diesel tax rate is \$0.244. The table below shows our estimates of revenue generated from federal taxes on gasoline and diesel fuel. The estimates were calculated based on the number of gasoline and diesel gallons by year.

Fiscal Year	Federal Gasoline Revenue Estimate	Federal Diesel Fuel Revenue Estimate
FY 2013-14	\$491,618,000	\$189,113,000
FY 2014-15	\$506,268,000	\$194,225,000
FY 2015-16	\$522,254,000	\$208,521,000

We have requested additional assistance in determining federal funding to South Carolina from DOT and will provide any information we receive from the agency. We were able to find some information on their website. Based upon data in DOTs Statewide Transportation Improvement Program report, \$646,000,000 in federal funds

Ms. Catherine McNicoll
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and \$119,000,000 in state funds were planned for highway funding in FY 2015-16, and \$51,000,000 in federal funds and \$6,000,000 in state funds were planned for mass transit funding. The Statewide Transportation Improvement Program report identifies all projects and program areas receiving federal funding, which includes bridge replacements, safety, roadway resurfacing, interstate maintenance and upgrades, primary and secondary road system upgrades, transportation alternatives, congestion mitigation and air quality, and public transportation. We have included a few select charts and tables from the report that may be helpful. The full Statewide Transportation Improvement Program report may be found on DOTs website at <http://www.scdot.org/inside/pdfs/stip/stip.pdf>.

If we may be of further assistance, please advise.

Sincerely,



Frank A. Rainwater
Executive Director

FAR/lpw

Enclosures: 7

MOTOR FUEL REVENUE DISTRIBUTIONS

Fiscal Year	16¢ Gasoline Distribution			16¢ Diesel Distribution		0.75¢ Fees
	2.66¢ of Gasoline to 'C' Funds	10.34¢ of Gasoline to DOT	3¢ of Gasoline to SHF	13¢ of Diesel Fuel to DOT	3¢ of Diesel Fuel to SHF	
FY 06	\$65,267,152	\$253,707,653	\$59,723,225	\$94,216,632	\$17,836,745	\$24,113,715
FY 07	\$67,371,796	\$261,888,862	\$62,931,163	\$100,685,037	\$19,081,757	\$23,952,945
FY 08	\$67,621,271	\$262,858,623	\$63,107,366	\$100,192,777	\$19,048,214	\$24,320,310
FY 09	\$66,391,614	\$258,078,679	\$61,749,740	\$90,515,347	\$16,752,089	\$24,294,326
FY 10	\$67,602,456	\$262,785,489	\$62,537,405	\$90,290,262	\$17,152,620	\$24,717,998
FY 11	\$68,093,212	\$264,693,163	\$63,339,767	\$92,688,377	\$17,636,627	\$24,966,349
FY 12	\$68,667,148	\$266,924,175	\$64,853,180	\$91,984,304	\$17,760,061	\$25,066,970
FY 13	\$68,614,059	\$266,717,807	\$63,948,124	\$95,992,485	\$18,518,792	\$25,534,939
FY 14	\$69,875,576	\$271,621,600	\$65,162,147	\$98,326,383	\$18,810,682	\$25,851,696
FY 15	\$72,270,081	\$280,929,508	\$67,987,470	\$98,468,428	\$18,989,073	\$26,605,960
FY 16	\$74,744,883	\$290,549,658	\$71,233,794	\$111,096,985	\$21,548,568	\$27,696,981

Notes:

* The fees generated from the 0.75¢ inspection and environmental impact fees are estimates based upon motor fuel gallons.

(1) Section 12-28-2740(A) directs the proceeds from 2.66¢ a gallon on the user fee of gasoline to "C" funds.

(2) Section 12-28-2720 directs the proceeds from 10.34¢ a gallon of the user fee on gasoline to the Department of Transportation. Of the 10.34¢, 0.25¢ is allocated to mass transit pursuant to Section 12-28-2725, and 1% of 13¢ is allocated to the Department of Natural Resources pursuant to Section 12-28-2730(A).

(3) Section 12-28-2355(A) allows a 0.25¢ per gallon inspection fee to be imposed on petroleum products. The allocation of the 0.25¢ is as follows: 10% is allocated to the Department of Agriculture, beginning in FY 2004-05.

The remaining 90% is allocated as follows:

FY 2004-05: 60% was allocated to the General Fund and 40% was allocated to the State Non-Federal Aid Highway Fund

FY 2005-06: 20% was allocated to the General Fund and 80% was allocated to the State Non-Federal Aid Highway Fund

FY 2006-07 and each year thereafter, 100% is allocated to the State Non-Federal Aid Highway Fund.

(4) Section 12-28-2355(B) allows a 0.50¢ per gallon environmental impact fee to be imposed on petroleum products. The funds from the 0.50¢ are allocated to the Department of Health and Environmental Control.

(5) Section 12-28-2910(C) allocates the first \$18 million generated from the 3¢ user fee as follows (not included in the table):

In FY 2005-06, \$12 million was allocated for economic development and \$6 million was credited to the State Non-Federal Aid Highway Fund.

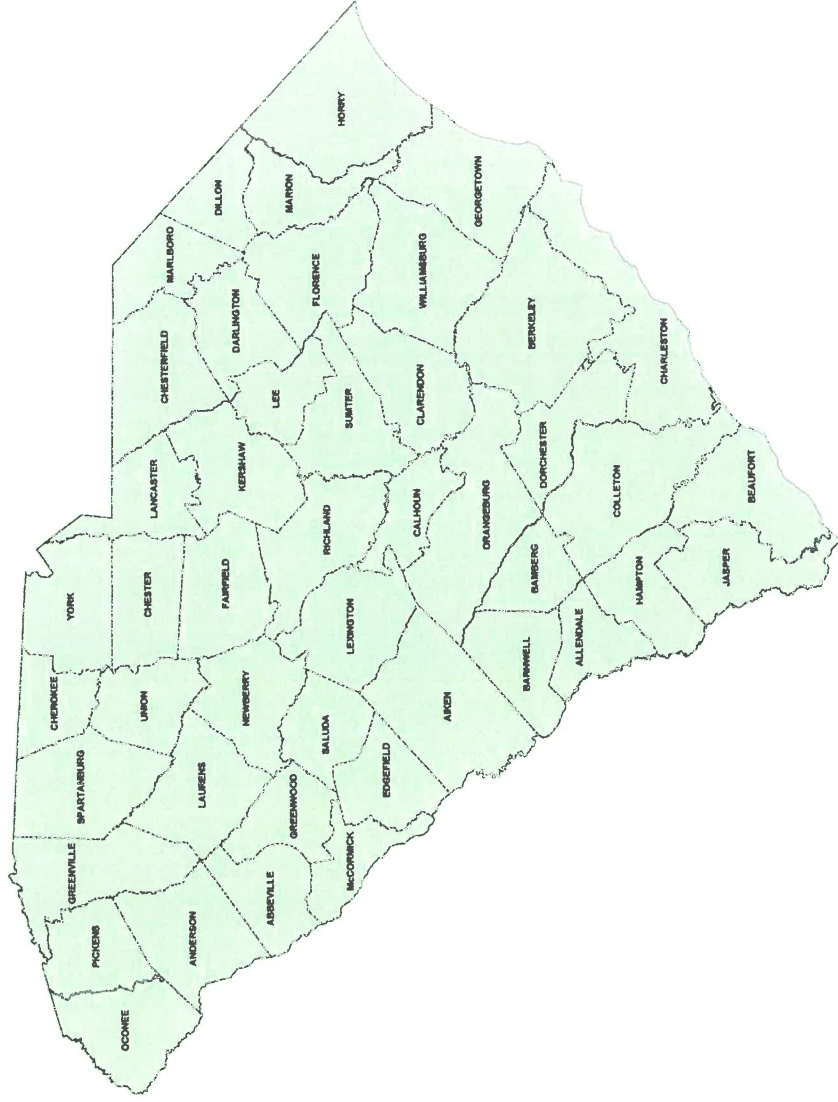
In FY 2006-07, \$6 million was allocated for economic development and \$12 million was credited to the State Non-Federal Aid Highway Fund.

Beginning in FY 2007-08 and each succeeding fiscal year, the first \$18 million must be credited to the State Non-Federal Aid Highway Fund.

Statewide Transportation Improvement Program (STIP)

The South Carolina Statewide Transportation Improvement Program (STIP) is the State's six-year transportation improvement program for all projects and program areas receiving federal funding, including bridge replacements, safety, roadway resurfacing, interstate maintenance and upgrades, primary and secondary road system upgrades, transportation alternatives, congestion mitigation and air quality, and public transportation. The STIP covers all federally funded improvements for which funding has been approved and that are expected to be undertaken during the upcoming six-year period. The document is generally scheduled for updating every three years and is revised on a continual basis to reflect the latest program and project information. The South Carolina Department of Transportation Commission, as well as the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) approve the STIP.

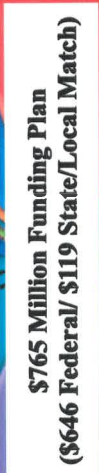
To provide a document that is user-friendly and streamlined, the STIP is formatted to include summaries of statewide programming, as well as project information by county. In addition, regional project tables are included to account for multi-jurisdictional projects.



South Carolina County Map

Fiscal Year 2016 Highway Funding Plan

Commission Approved Program Categories



Commission Approved Program chart represents estimated funding levels based on Federal-Aid apportionments (contract authority) including required match allocated by State Defined Categories



Funding Distribution chart represents average FY 2014 - FY 2019 planned project activity defined by percent of funding dedicated to Preservation, Mobility, Safety, and Planning

Highway Funding Summary

Program	Category	FY 2014		FY 2015		FY 2016		FY 2017		FY 2018		FY 2019		6 Yr Total	
		Appportioned	Planned	Appportioned	Planned	Appportioned	Planned	Appportioned	Planned	Appportioned	Planned	Appportioned	Planned	Appportioned	Planned
Bridge	NHPP	125,000	10,535	121,200	47,845	125,000	53,507	125,000	143,760	125,000	69,493	125,000	58,773	746,200	383,913
	STP		129,009		130,237		57,351		57,608		114,807		127,080		616,102
CMAQ	CMAQ	15,600	12,215	15,600	10,028	15,600	9,516	15,600	12,353	15,600	15,085	15,600	11,600	93,600	70,787
Interstate	NHPP	175,800	218,635	170,800	145,579	175,800	412,860	175,800	221,981	175,800	192,000	175,800	373,887	1,049,800	1,564,741
Debt Service					17,045		15,001		16,420		16,183		15,948		80,598
Pavement & Reconstruction	NHPP	178,200	178,200	172,000	177,400	177,400	260,401	177,400	177,400	177,400	177,400	177,400	177,400	1,059,800	1,148,201
Planning	STP														
	Statewide-SPR	16,000	15,100	16,000	15,000	16,000	15,000	16,000	15,000	16,000	15,000	16,000	15,000	96,000	90,100
	MPO-PL	3,700	3,500	3,700	3,000	3,700	3,000	3,700	3,000	3,700	3,000	3,700	3,000	22,200	18,500
RR Crossings	RR Crossing	4,200	4,500	4,200	4,500	4,200	6,700	4,200	4,300	4,200	4,300	4,200	4,300	25,200	28,600
Safety	Safety	42,300	49,705	56,300	64,165	42,300	51,225	42,300	54,087	42,300	37,118	42,300	25,325	287,800	281,605
System Upgrade	NHPP	138,143	37,960	134,800	29,504	138,000	50,491	138,000	28,648	138,000	70,229	138,000	11,737	824,943	228,569
	STP		97,069		71,791		126,369		91,844		120,768		86,849		594,680
Debt Service	NHPP		17,339		17,593		14,486		16,881		16,681		16,465		198,925
	STP		17,339		17,593		14,486		16,881		16,681		16,465		
SIB	NHPP	56,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000	336,000	336,000
	STP														
Transportation Alternatives	Transportation Alternatives	9,900	9,800	10,600	10,600	10,600	10,600	10,600	10,600	10,600	10,600	10,600	10,600	62,900	62,800
Highway Subtotal		\$764,843	\$856,906	\$761,200	\$817,869	\$764,743	\$1,156,993	\$764,743	\$926,779	\$764,743	\$935,345	\$764,743	\$1,010,239	\$4,585,915	\$5,704,131
															(\$1,119,688)

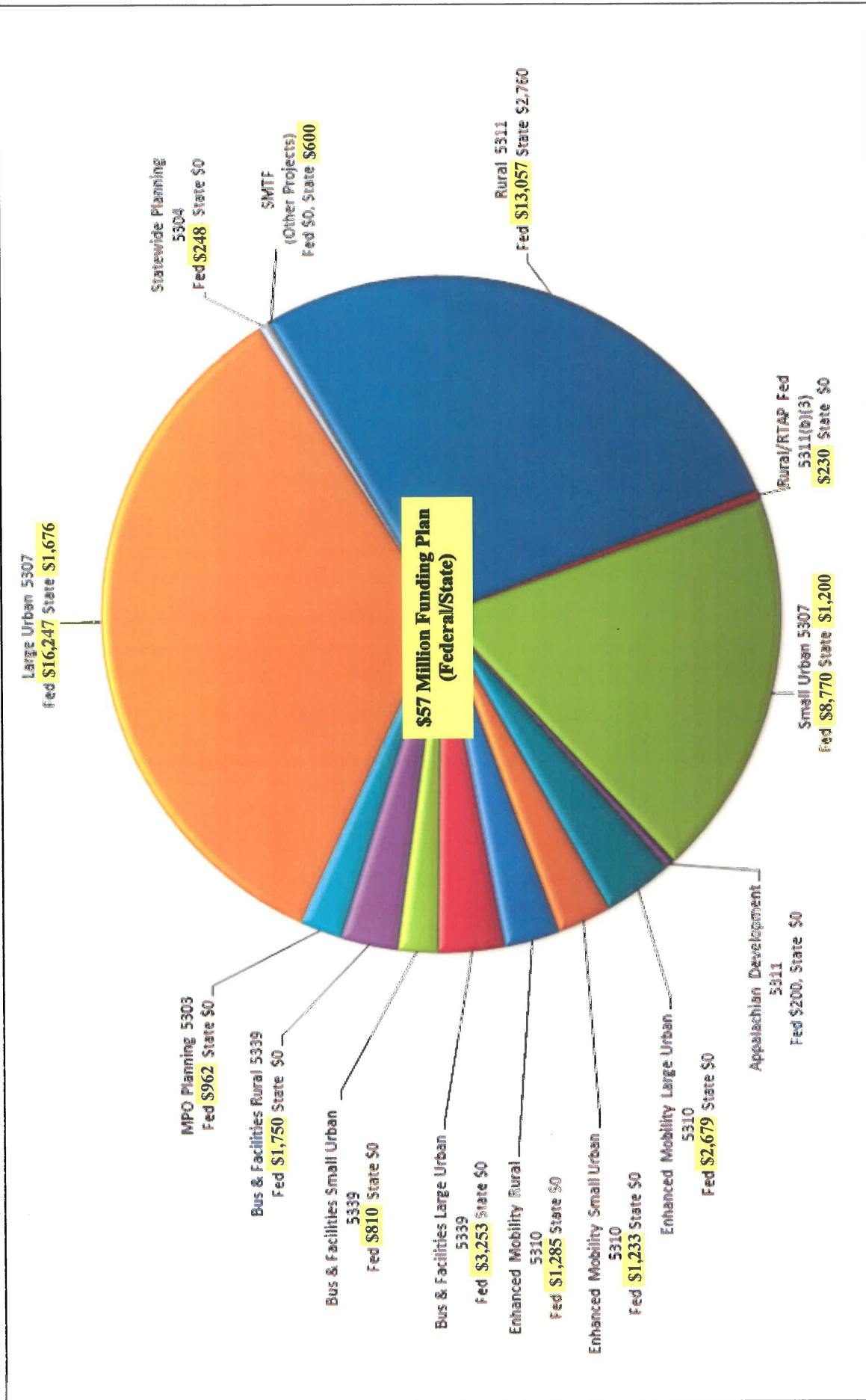
Beginning Year Unobligated Balance	\$354,900 *	\$338,820 *	\$239,672 *												
Total Appportioned	\$764,843	\$761,200	\$764,743												
Total Planned	\$856,906	\$817,869	\$1,156,993												
Advanced Construction Conversion															
Advanced Construction															
Balance	\$262,837	\$281,950	\$0												

* Adjusted to reflect Federal Management Information System (FMIS) unobligated balance

Project AC															
Project AC Conversion															

Fiscal Management Information System (FMIS) - Administered by FHWA to provide status of federal-aid funds, including apportionments and balances by federal program and fund code.
 Apportioned - Commission approved budget by state category based on the total federal appropriation for South Carolina. Future year apportionments are estimates based on current year funding levels.
 Planned - Cumulative estimated project/activity cost by category.

Fiscal Year 2016 Mass Transit Funding Plan

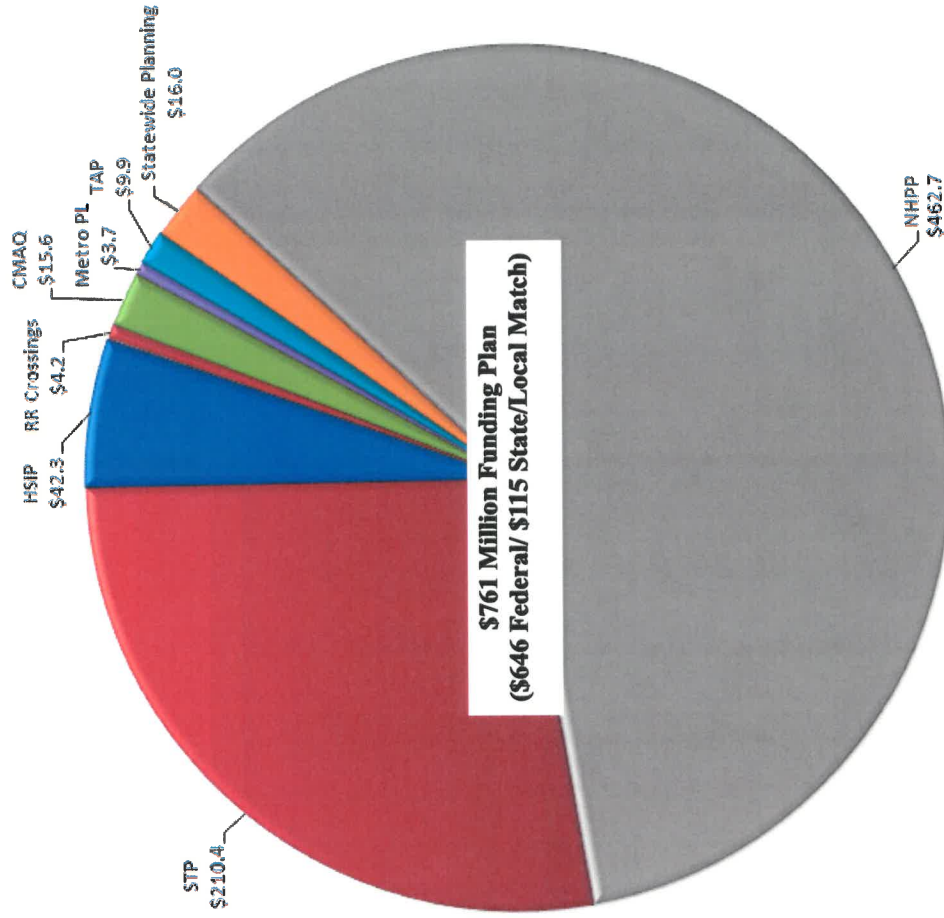


Mass Transit Funding Summary

Program	FY 2014		FY 2015		FY 2016		FY 2017		FY 2018		6 Yr. Total	
	AppORTioned	Planned	AppORTioned	Planned	AppORTioned	Planned	AppORTioned	Planned	AppORTioned	Planned	AppORTioned	Planned
Rural	12,788	12,788	12,751	12,751	13,057	13,057	12,377	12,377	12,377	12,377	8,280	8,280
Rural State Matching Funds	2,780	2,780	2,760	2,760	2,760	2,760	2,228	2,228	2,228	2,228	1,364	1,364
Rural/RTAP	231	231	219	219	230	230	228	228	228	228	50,439	50,439
Small Urban	8,433	8,433	8,595	8,595	8,770	8,770	8,213	8,213	8,213	8,213	3,700	3,700
Small Urban State Matching Funds	1,222	1,222	1,278	1,278	1,200	1,200	934	934	934	934	5,883	5,883
MPO Planning	954	954	947	947	982	982	834	834	834	834	96,546	96,546
Large Urban	15,957	15,957	15,965	15,965	16,247	16,247	16,126	16,126	16,126	16,126	4,458	4,458
Large Urban State Matching Funds	1,418	1,418	1,382	1,382	1,676	1,676	1,318	1,318	1,318	1,318	1,800	1,800
State Funds for Transit Projects	600	600	600	600	600	600	245	245	245	245	1,462	1,462
Statewide Planning	253	253	244	244	248	248	245	245	245	245	9,742	9,742
Enhanced Mobility of Seniors & Disabled											6,828	6,828
Individuals											7,394	7,394
Large Urban	1,543	1,543	1,565	1,565	2,679	2,679	1,318	1,318	1,318	1,318	1,091	1,091
State Administered - Small Urban	1,205	1,205	1,201	1,201	1,233	1,233	1,095	1,095	1,095	1,095	247	247
State Administered - Rural	1,233	1,233	1,228	1,228	1,285	1,285	1,216	1,216	1,216	1,216	11,377	11,377
Job Access Reverse Commute (SAFETEA-LU)											6,259	6,259
FY2012 Unobligated Rural & Small Urban	1,091	1,091									9,620	9,620
New Freedom (SAFETEA-LU)	247	247									1,399	1,399
FY2012 Unobligated Rural & Small Urban											303,522	303,522
Bus & Bus Facility Program												
Large Urban	1,887	1,887	1,480	1,480	3,253	3,253	1,882	1,882	1,882	1,882		
State Administered - Small Urban	1,886	1,886	877	877	610	610	882	882	882	882		
(FY13 & FY 14)												
State Administered - Rural	2,578	2,578	1,248	1,248	1,750	1,750	1,248	1,248	1,248	1,248		
(FY13 & FY 14)												
Appalachian Development	400	400	200	200	200	200	200	200	200	200		
Mass Transit Subtotal	\$58,777	\$58,777	\$52,521	\$52,521	\$56,960	\$56,960	\$46,785	\$46,785	\$46,785	\$46,785	\$303,522	\$303,522

Fiscal Year 2015 Federal Funding Plan

Federal Program Categories



Federal Program chart represents estimated funding levels based on Federal-Aid Highway Program apportionments (contract authority) including required match