



**SECONDARY ROAD FUND DISTRIBUTION COMMITTEE MARCH MEETING — 2017**

**Meeting.** The Secondary Road Fund Distribution Committee met on March 9, 2017, in Des Moines. The intent of the Committee is to determine a methodology to distribute Secondary Road Funds and Farm-to-Market Funds, and revise the Secondary Road and Farm-to-Market distribution factor formulas. The Committee is governed under [761 IAC 102.1](#). The topics discussed included:

- **Update on Road Use Tax Fund (RUTF) Revenue Projections.** The Department of Transportation (DOT) updated the Committee on FY 2017 RUTF revenue forecasts. Revenues for FY 2017 are currently 3.25% above forecast, an increase of 0.15% from the prior Committee forecast in August 2016. Growth forecasts are expected to remain flat for the next several years.

Motor vehicle registration fees reached in excess of \$392.0 million for the fiscal year on March 1, 2017. Any remaining fees collected from motor vehicle registration will be transferred to the Transportation Investment Moves the Economy in the 21st Century (TIME-21) Fund per Iowa Code section [312.2\(17\)](#). The TIME-21 Fund receives revenue from other sources, including trailer registration fee increases and title and salvage fees.

The Fund is capped at receiving \$225.0 million in any fiscal year. The DOT estimates that the Fund may reach this threshold in FY 2021. Any remaining revenue allocated in excess of this cap would be directed to the RUTF.

- **Secondary Road and Farm-to-Market Distribution Factor Formulas.** Steve De Vries of the Iowa County Engineers Association Service Bureau (ICEASB) reviewed how the distribution formulas are calculated for the Secondary and Farm-to-Market Funds. The formulas for allocation include the following variables, per [761 IAC 102.2](#), illustrated in the table below.

	<b>RUTF Distribution Formulas</b>						
	Total Area of County	Rural Population	Vehicle Miles Traveled	Type of Road Surface			Linear Feet of Bridge Deck
				Earth	Granular	Paved	
Secondary	30.0%	10.0%	12.5%	0.5%	20.0%	13.0%	14.0%
Farm-Market	30.0%	15.0%	10.0%	0.0%	9.0%	23.0%	13.0%

The next committee meeting has not been scheduled.

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