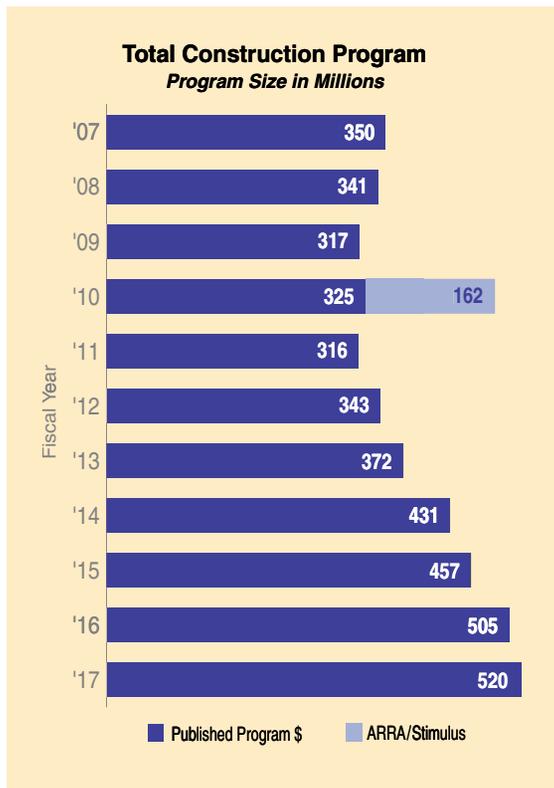


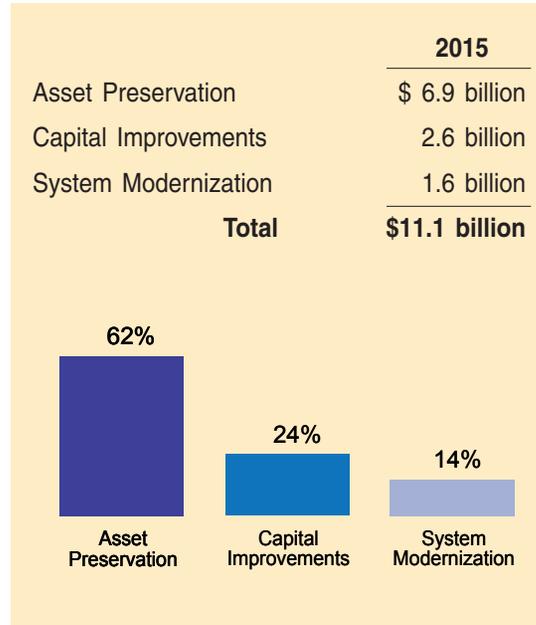
State Highway System Programs

In 2009, Congress passed the American Recovery and Reinvestment Act (stimulus) that allowed our FY-2010 state highway system program to be increased by \$162 million. However, this was a one-time event and our FY-2011 program returned to a \$316 million level. The program size has steadily increased since 2011 and is dedicated to preserving and maintaining the existing 10,000-mile State Highway System infrastructure.

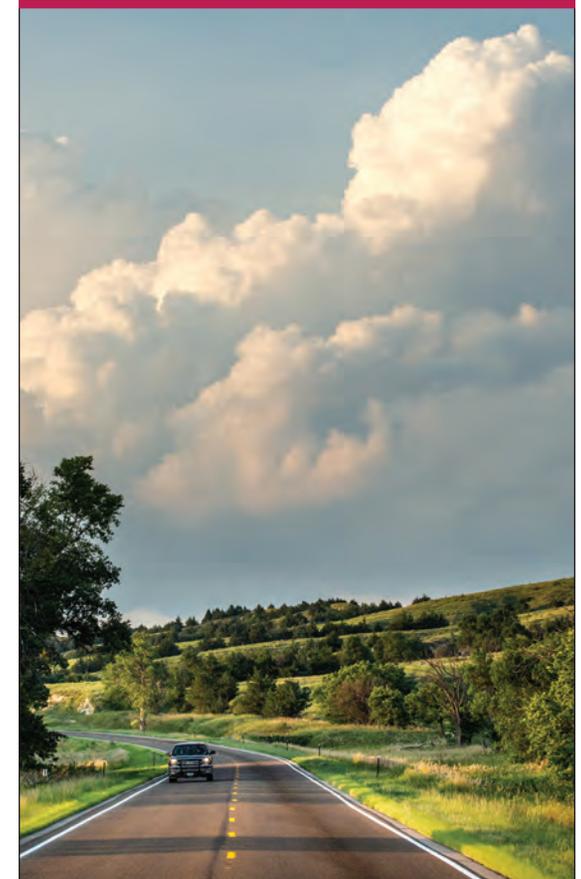


Summary of Needs

The “2015 State Highway Needs Assessment” report identified current 20-year needs at \$11.1 billion, in today’s dollars. With inflation applied, these needs increase to \$16.1 billion. As the State Highway System needs continue to increase, so do vehicle miles traveled and the cost of preserving and maintaining Nebraska’s transportation system.



Department of Roads

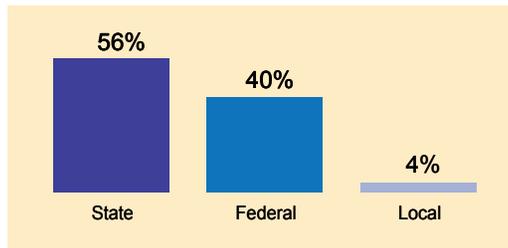


NEBRASKA
Good Life. Great Journey.
DEPARTMENT OF ROADS

Surface Transportation Financing

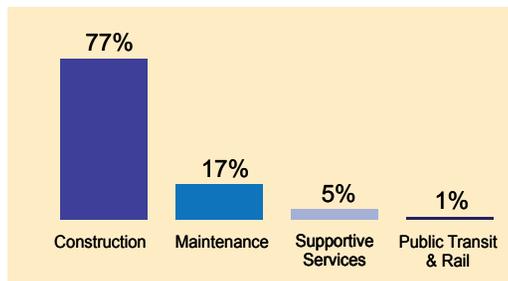
Department of Roads Revenues

The Department of Roads receives revenues from fees and taxes assessed to the user of the transportation system. These revenues are established by three primary sources—state, federal and local funds. Highway user fees are derived from fuel taxes, registration fees, motor vehicle sales taxes, heavy vehicle use and sales taxes, and tire taxes. Revenues are initially deposited in the federal and state highway trust funds and distributed to the state through formulas established by law, both at the state and federal level. The revenues received by the Department of Roads are comprised of 56% state funds, 40% federal funds and about 4% local funds.

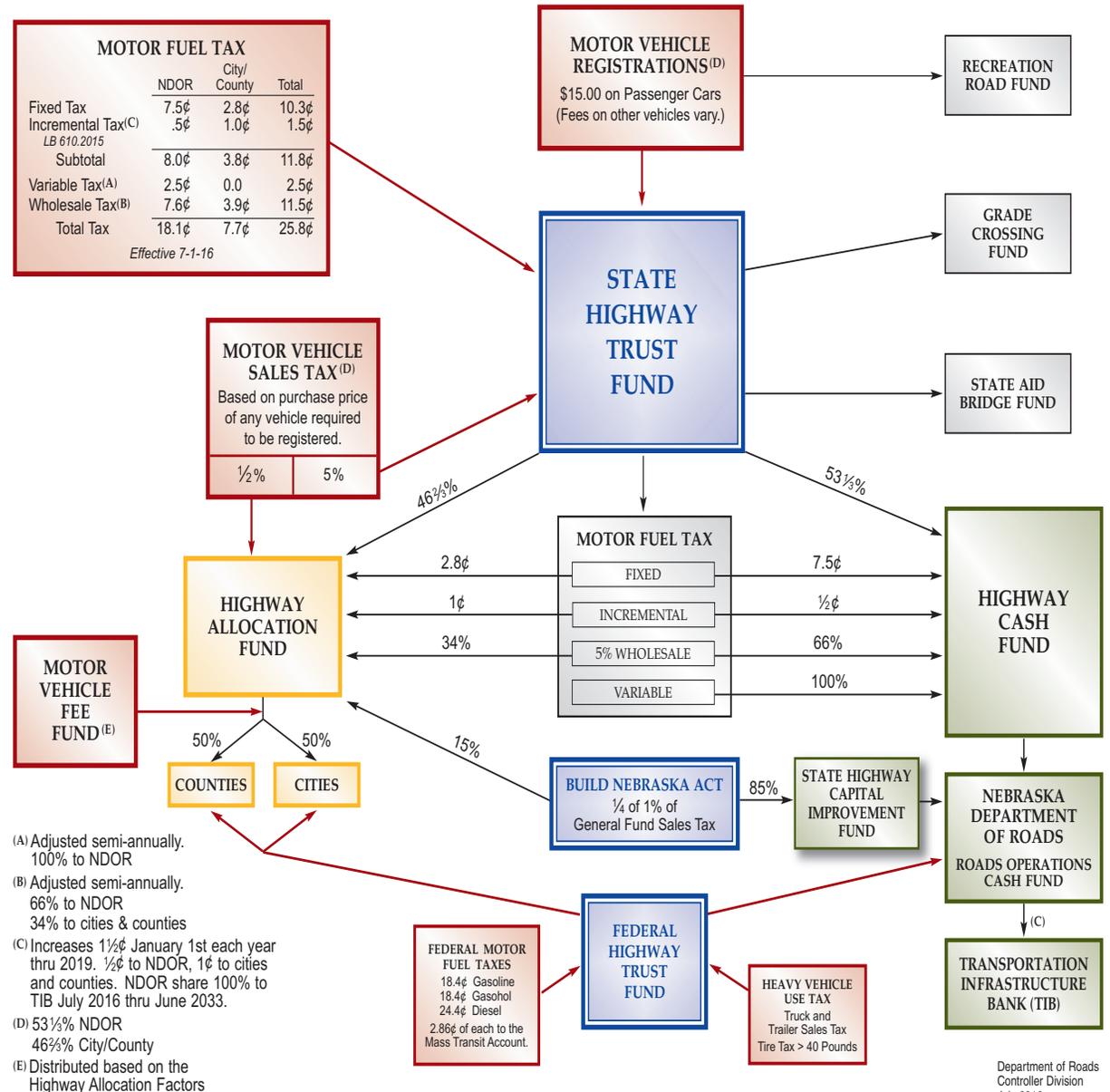


Department of Roads Expenditures

Where are highway user revenues spent? On an average, 77% is spent on surface transportation construction to preserve, maintain and improve the existing \$7.6 billion infrastructure. Approximately 17% is spent on routine maintenance of the highways for activities as snow removal, mowing, ditch cleaning, litter pickup, sign and signal repairs, striping, guardrail repair, pothole patching, and other such activities. About 5% is spent on supportive services (business technology, buildings and administration expenses). Almost 1% is spent for the public transit function administered by the Department of Roads.



Nebraska Transportation Financing



(A) Adjusted semi-annually. 100% to NDOR

(B) Adjusted semi-annually. 66% to NDOR, 34% to cities & counties

(C) Increases 1½¢ January 1st each year thru 2019. ½¢ to NDOR, 1¢ to cities and counties. NDOR share 100% to TIB July 2016 thru June 2033.

(D) 53⅓% NDOR, 46⅔% City/County

(E) Distributed based on the Highway Allocation Factors