



**Build
With
Us**



TDOT

Department of
Transportation

FY26 Budget Request

03/20/2025

Governor's Proposed FY26 Budget

	Recurring	Non-Recurring	Total
Pavement Program Investment	\$16,031,250	\$108,968,750	\$125,000,000
Bridge Program Investment	\$16,031,250	\$58,968,750	\$75,000,000
Spot Safety Program Reinforcement	\$12,825,000	\$7,175,000	\$20,000,000
State Infrastructure Fund	-	\$50,000,000	\$50,000,000
Rural Service Patrol	\$16,700,000	-	\$16,700,000
Mowing and Litter	\$6,412,500	-	\$6,412,500
Pay for Performance	\$12,000,000	-	\$12,000,000
Expedited Projects	-	\$774,887,500	\$774,887,500
Air Carriers	-	\$34,300,000	\$34,300,000
General Aviation	-	\$1,000,000	\$1,000,000
Wilson County – Peyton Road	-	\$3,200,000	\$3,200,000
Total	\$80,000,000	\$1,038,500,000	\$1,118,500,000

10-Year Plan Development



TDOT Prioritization Criterion

Project Performance

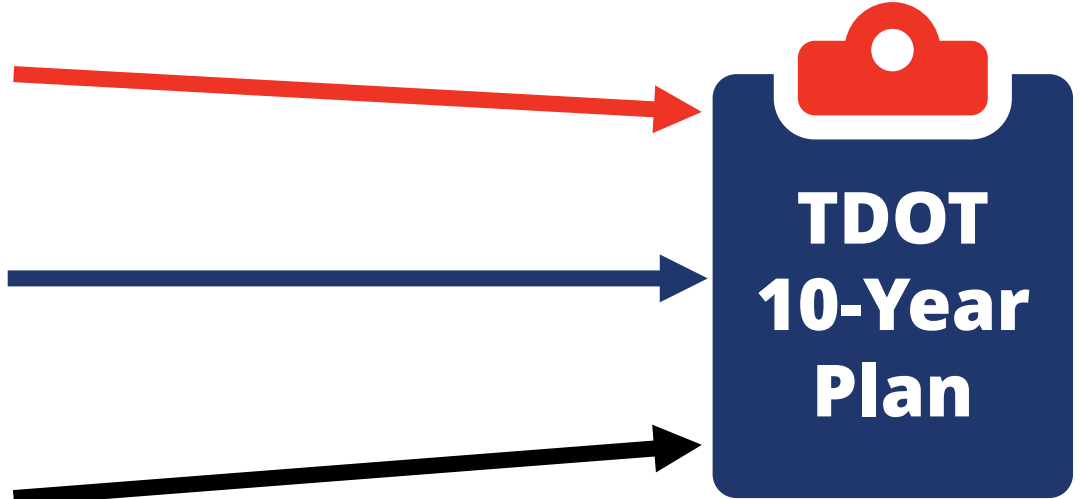
- Safety
- Congestion
- Economic Growth
- Preservation
- Livability & Sustainability

Project Delivery

- Time to Deliver
- Risk that may Delay Delivery

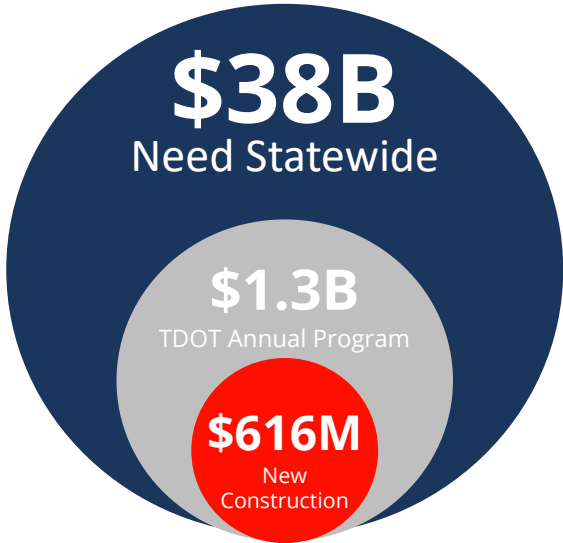
Project Cost

- Total Cost
- State Share of Cost
- Leveraged Funding
- Regional Balance



Final priorities reflect a combination of performance, delivery, and cost.

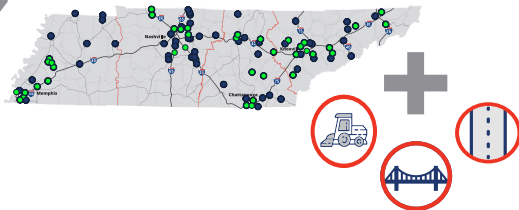
The Growing Need for Infrastructure Investment



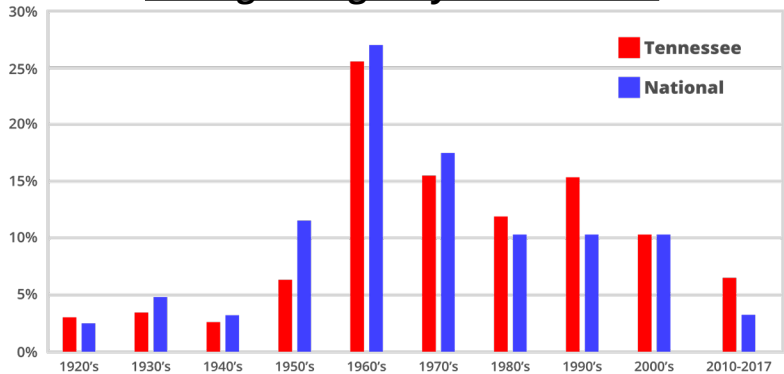
FY24
\$3 Billion
*47 of 93
Projects Made
Possible*



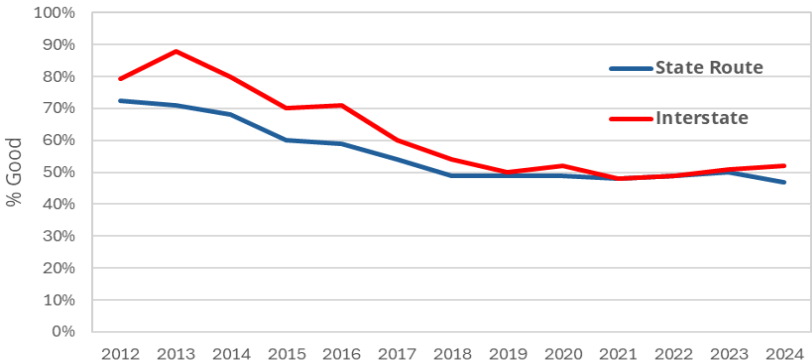
10-Year Plan



Average Bridges by Decade Built



Current Pavement Condition



Tennessee vs. Peer States: Funding and Transportation Spend



Percentage of Budget	11.4%	4.9%	11.1%
Transportation Spending Rank (Highest to Lowest)	9 th	40 th	10 th
Fuel Tax Rank (Highest to Lowest)	12 th	31 st	44 th
Supplemental Revenue	Bonds – Tolls – Gas Tax Index	No Bonding – No Tolls – Non-Indexed Gas Tax	Bonds – Tolls
Report Card Grade	C+	C	C



Revenue Analysis

Overall Budget Analysis

	FY25 Budget	FY26 Estimated	Variance
Federal	\$1,473.8	\$1,497.6	\$23.8
State	\$1,331.7	\$2,405.7	\$1,074.0
Local	\$54.3	\$60.5	\$6.2
Total	\$2,859.8	\$3,963.8	\$1,104.0

Millions

State User Fee Collections

	FY21	FY22	FY23	FY24	FY25
Gas	\$509	\$529	\$532	\$532	\$545
Diesel	\$224	\$235	\$233	\$234	\$233
Special Petroleum	\$36	\$39	\$39	\$39	\$39
Vehicle Registration	\$298	\$309	\$215	\$313	\$307
Total	\$1,067	\$1,112	\$1,019	\$1,118	\$1,124
% Change	4%	4%	0%*	0%*	0%

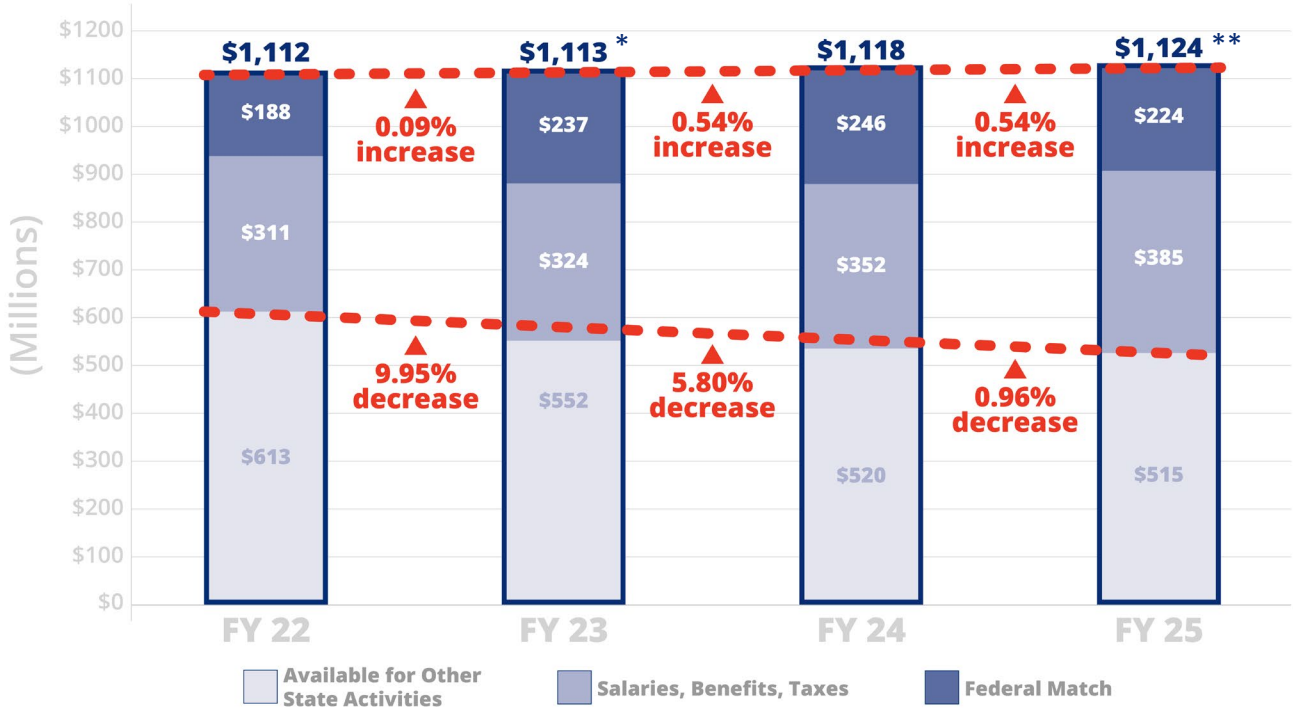
**Due to normalizing for vehicle tax registration holiday;
Results in \$1,113 in FY23*

Millions



Flat User Fee Revenue vs. Increased Inflation

Total State User Fees vs. Costs



Average Cost Escalation Since FY19

Concrete Pipe	+101%
Guardrail	+80%
Concrete	+77%
Labor	+56%
Concrete Catch Basins	+55%
Steel	+55%
Aggregate	+49%
Hot Mix Asphalt	+47%
Earthwork	+45%
Pavement Markings	+39%



Long-Haul Truck Traffic and Tonnage Forecast

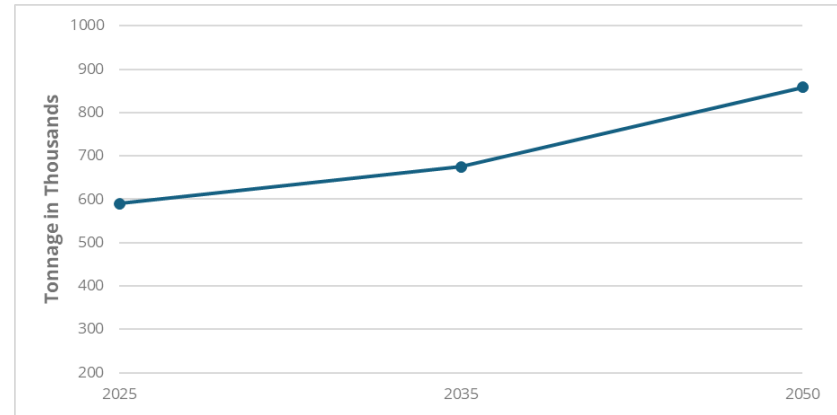
Long Haul Truck Traffic 2012



Long Haul Truck Traffic 2050



Estimated Tonnage Growth on Tennessee Roadways



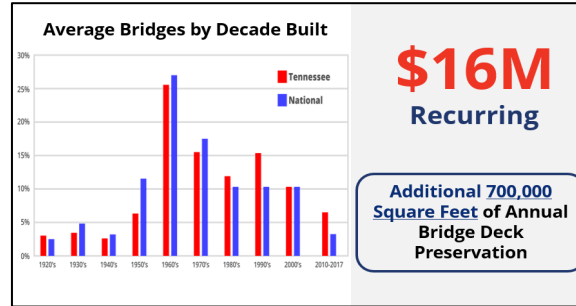
From present day through 2050, Tennessee is expected to face an increase of 54% in tonnage on its roadways. High tonnage vehicles disproportionately deteriorate roads.

FY2026 Recurring Requests

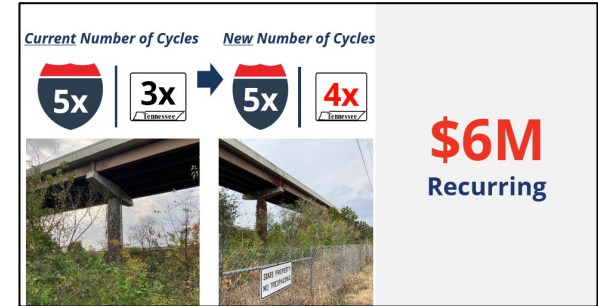
Pavement Preservation



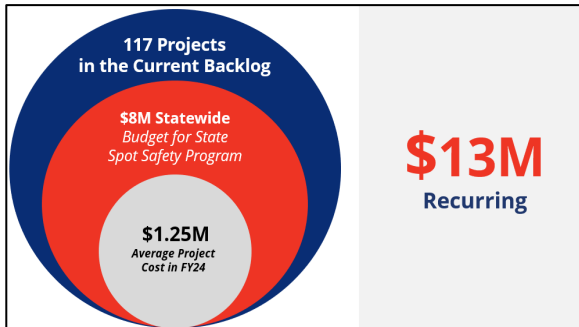
Bridge Preservation



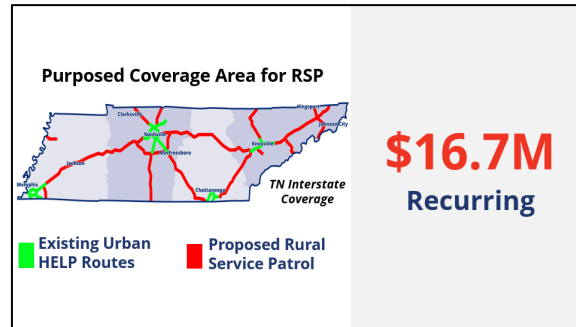
Mowing and Litter



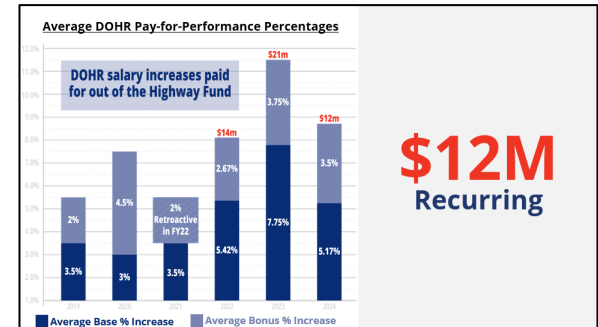
Spot Safety Program



Rural Service Patrol

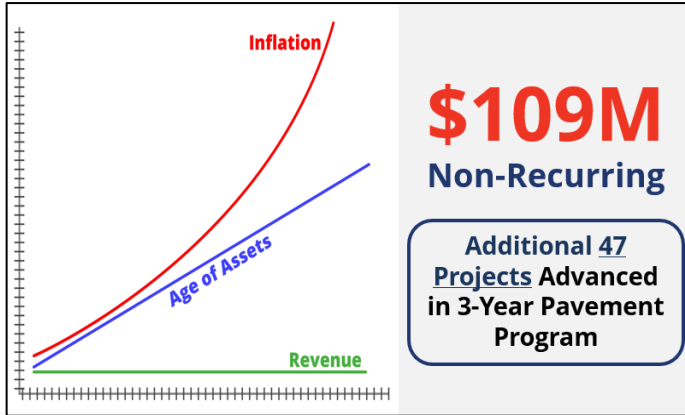


Pay-for-Performance

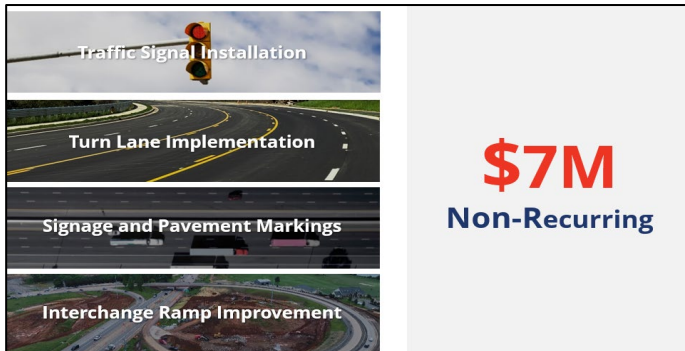


FY26 Non-Recurring Requests

Pavement Preservation



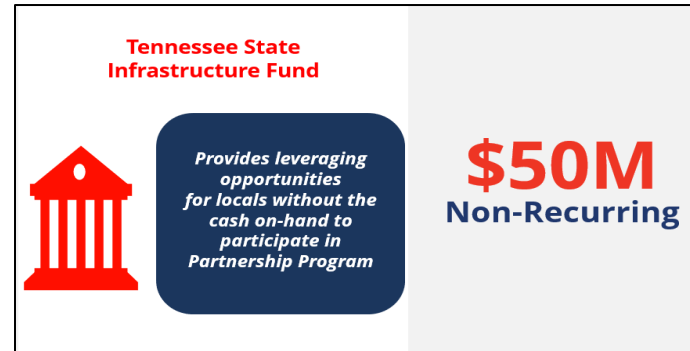
Spot Safety Program



Bridge Preservation



State Infrastructure Fund



FY26 Non-Recurring Project Investment

\$775M
Non-Recurring



Transportation Modernization Fund Implementation Plan



**April
2025**

- *Update 10-Year Plan with current funding*

**May / June
2025**

- *If appropriated, apply General Fund Dollars to expedite, add to, and leverage additional projects to the plan*

**July
2025**

- *Statewide Partnership Program Cycle Opens for 2025, commencing FY26*



Tennessee

Build With Us

Transportation Modernization Act Successes



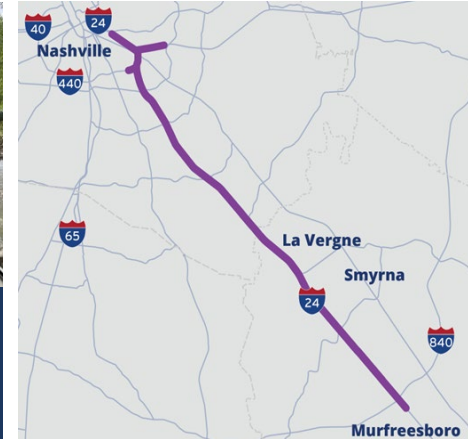
\$250M set aside leveraged into single-largest transportation investment in Tennessee history

\$300M
State-Aid Infusion

\$211M+ utilized by locals to date



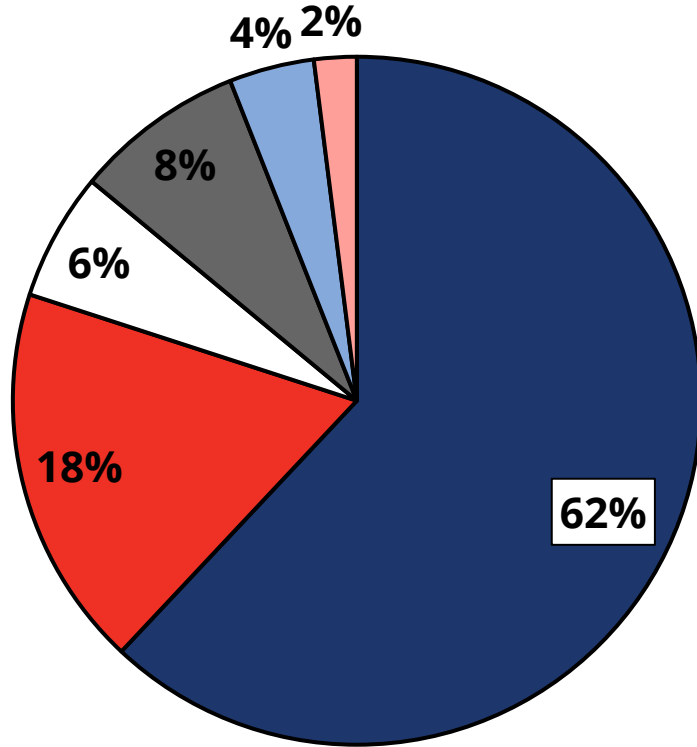
Upper East TN can get back on their feet faster because of Alternative Delivery and TDOT's cash-on-hand.



First Corridor selected and project is on track

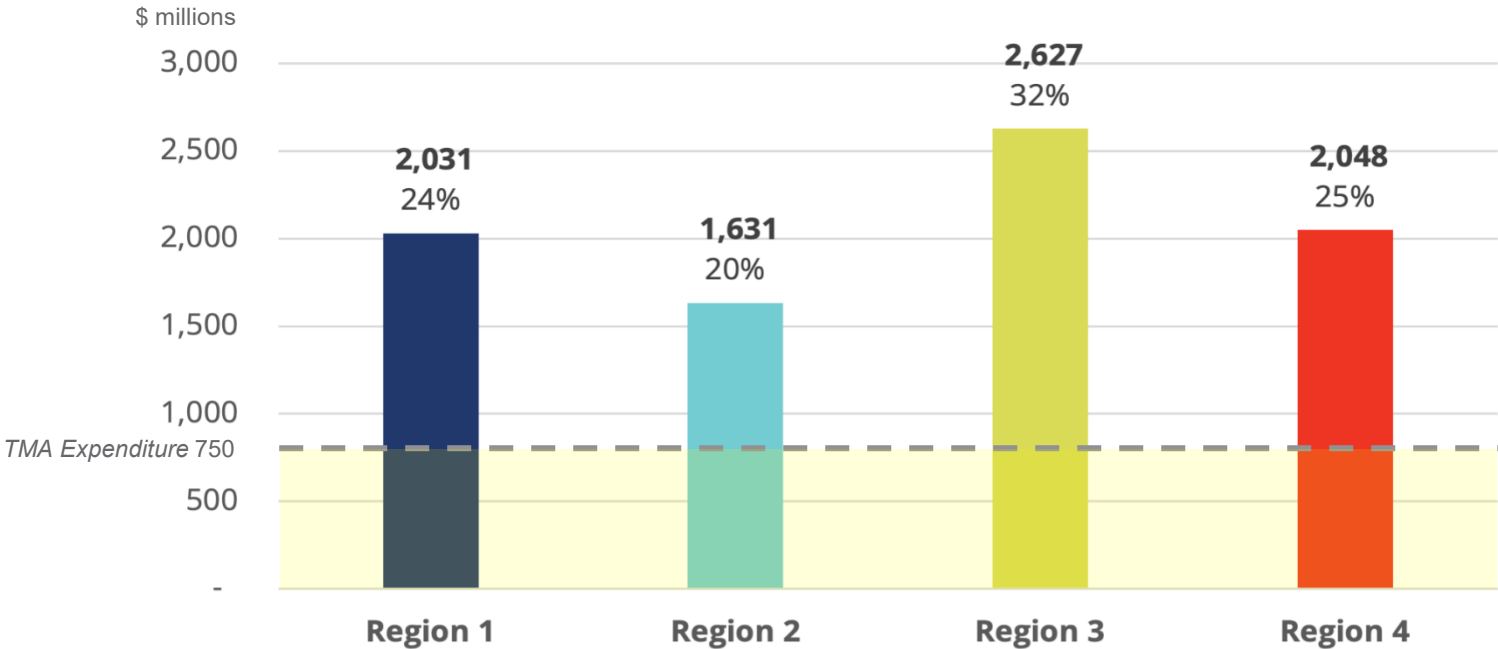
TN

FY26 Budget Breakdown



■ Highway Construction	\$2,449,147,800
■ Maintenance and Capital Improvements	\$710,234,700
□ Transit	\$225,248,900
■ HQ, Garage, Field Operations	\$328,492,600
■ Air, Rail, and Water	\$170,725,000
■ State Programs	\$79,992,800

TMA Expenditures by Region



Why now and Why Infrastructure



1.5 Million Gallons of
Truck Fuel Wasted

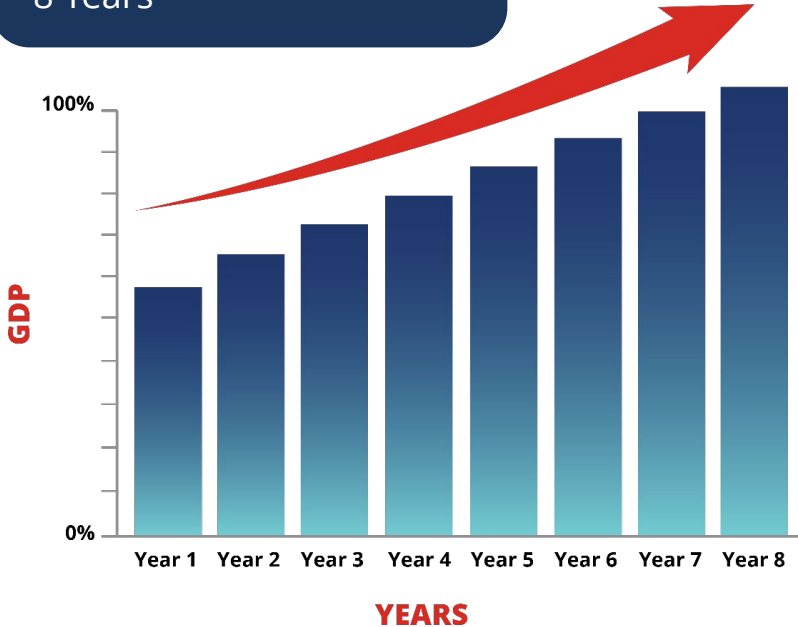


\$442 Million in Productivity
Lost Due to Congestion

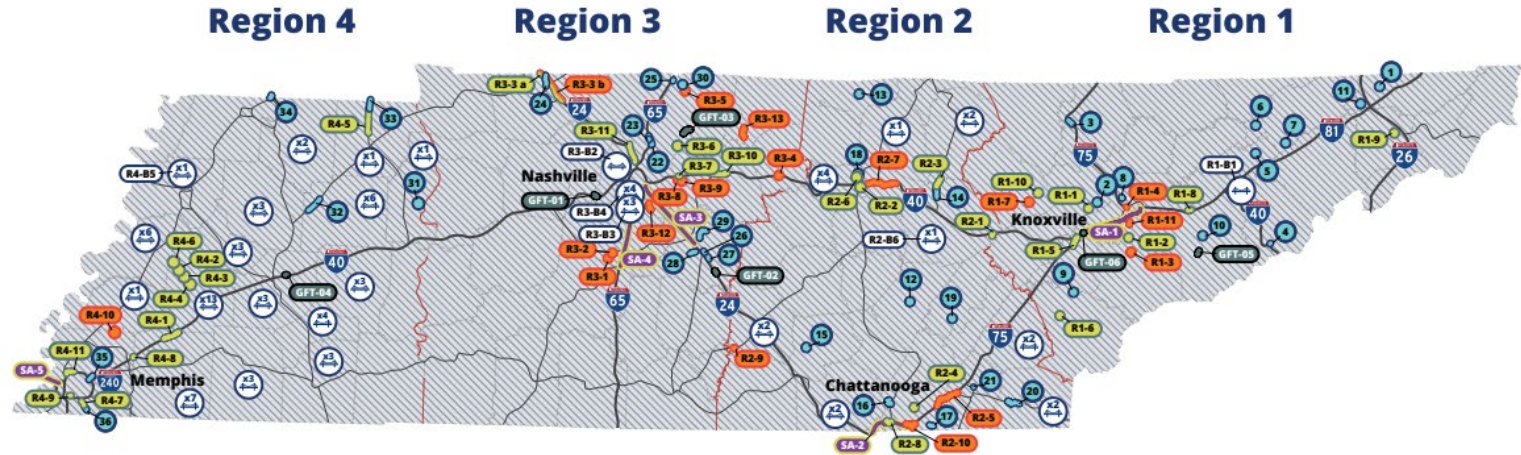


17,016K Hours Total Travel
Time Lost

12.9% Annual Growth
Exceeds Infrastructure
Investment Cost Within
8 Years



10-Year Plan Update



\$211M+

***Obligated by Highway Departments
through the State Aid Program***

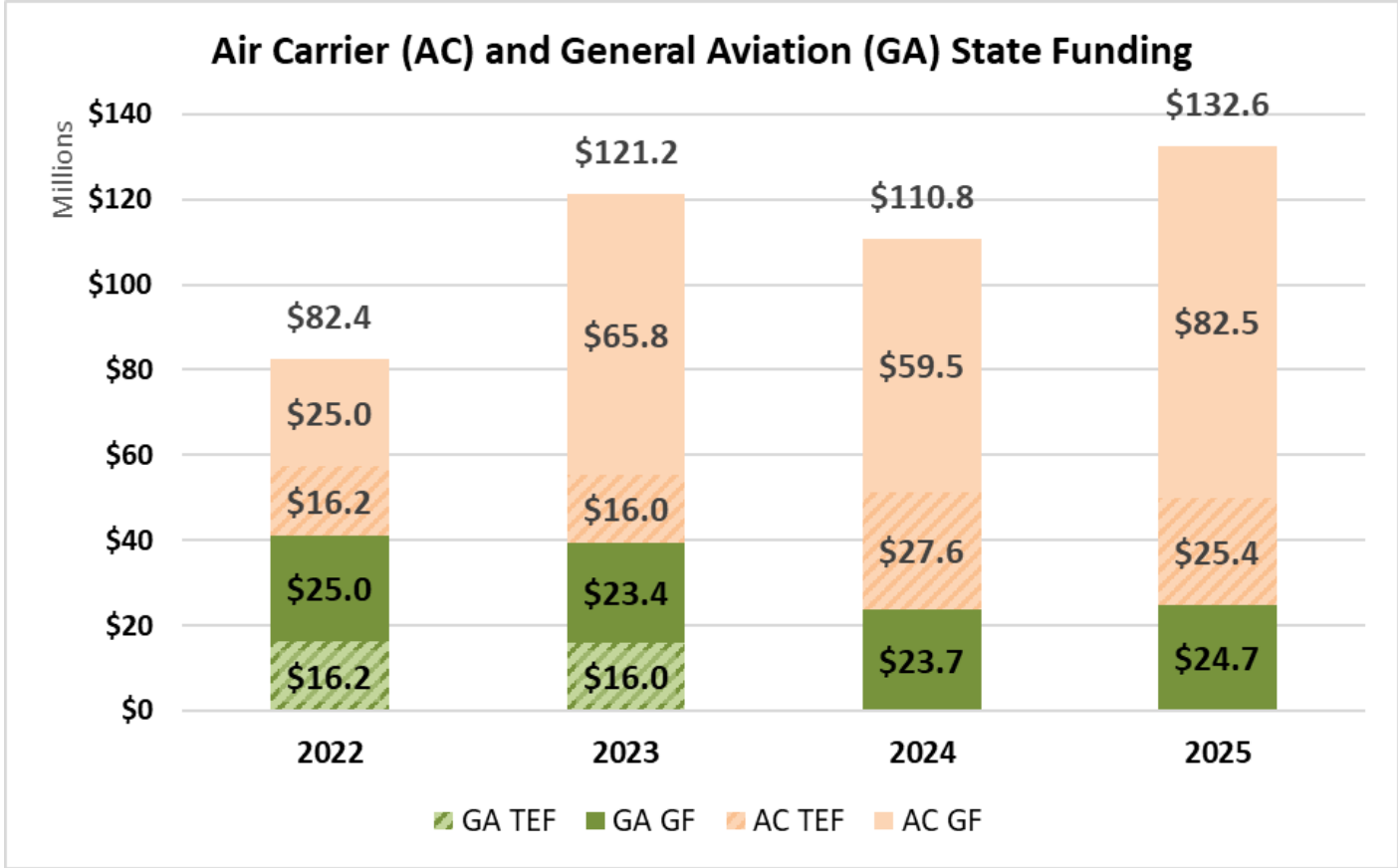
74%

Delivery in Year 1

90%

On Track for Target Spend

State Aviation Funding Levels



Passenger Rail

TDOT is a multimodal agency and is supportive of passenger rail

\$500,000 Grant Award to the City of Chattanooga to study Memphis-Nashville-Chattanooga-Atlanta-Savannah Route.



Infrastructure Investment
and Jobs Act (IIJA):
\$36 Billion
For Passenger Rail

\$24 Billion
The Northeast Corridor
+
\$12 Billion
Outside The Northeast
Corridor

**Approx \$25 Million
per mile**
Average New Construction
of Passenger Rail

550 miles to connect Upper East,
Knoxville, Chattanooga, Nashville,
Jackson, and Memphis

550 miles
=
\$13.75 Billion

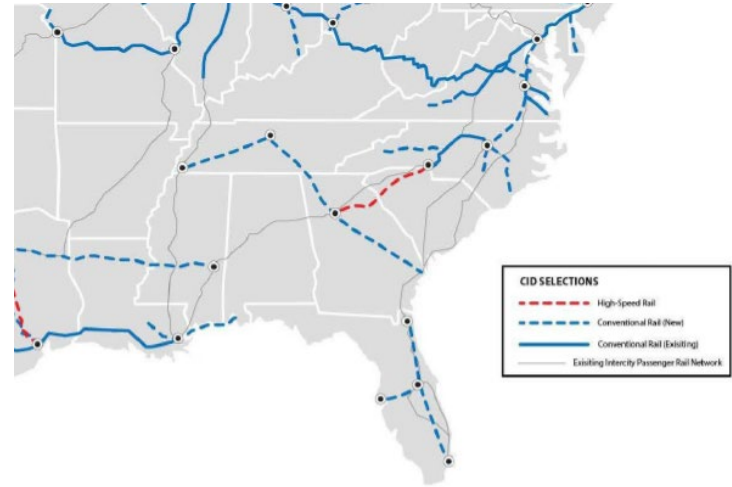


Passenger Rail Options: Long-Distance vs. Corridor ID

Long-Distance Study Route



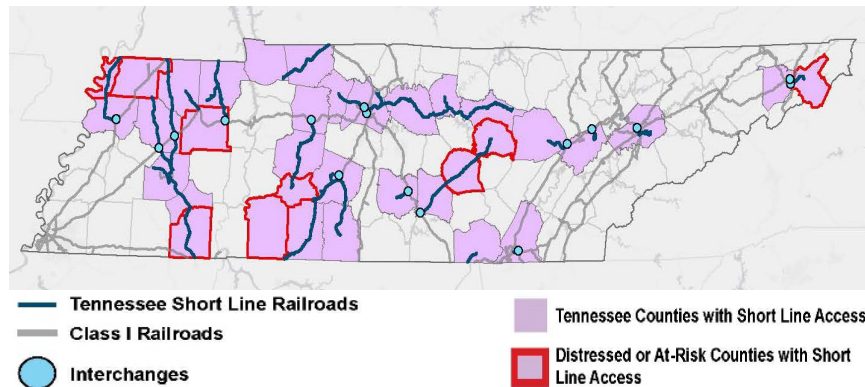
Corridor-ID Grant Award Route



Freight Rail Services



Tennessee Short Line Railroad Program



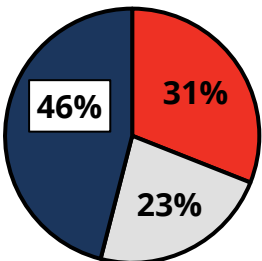
Currently In Tennessee

- 21 Short Line Railroads
- 16 Railroad Authorities
- 33 Counties Served
- 800+ mainline track miles in TN
- 960+ public at grade crossings

TRACK & BRIDGE ASSESSMENT

817.6 mainline track miles | 518 Bridges (13.55 miles)

Track Designation

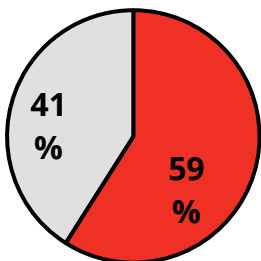


■ 10 MPH Freight / N/A Passenger

■ 10 MPH Freight / 15 MPH Passenger - Class 1

■ 25 MPH Freight / 30 MPH Passenger - Class 2

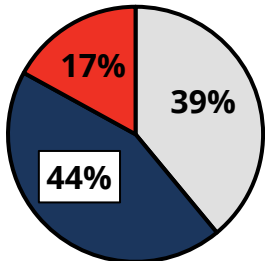
286K Rail Operation



■ Satisfactory for 286K

■ Non-satisfactory for 286K

Structure Condition



■ Good ■ Fair ■ Poor

2021 RESULTS

Class 1 Ties 10 mph	Class 2 Ties 25 mph	Rail 286k loading	Bridge 286k loading	Total
\$3.2	\$10.2	\$213.9	\$69.9	\$297.1

Millions



Multimodal Transportation

\$257.8M



Multimodal Transportation



New Division of Passenger Transportation, Rail, and Freight

