



# HOT-MIX ASPHALT



**VOL. 13 NO. 4**

**CURRENT NEWS**

**October, 2004**

## **In This Issue:**

[Ethanol Provisions Enacted](#)

[TEA Reauthorization Postponed](#)

[Diamond Achievement Commendations](#)

[Conferences and Seminars Announced](#)

[FPO Launches Improved Website](#)

[Sign Up for FPO Publications](#)

## [Ethanol Provisions Enacted](#)

At last there is some good news from Congress related to transportation funding. On October 11, 2004, the Senate approved a corporate tax reform bill that contains the ethanol provisions that Ohio has been seeking. The language in the bill appears to be the exact fix Ohio has wanted. It not only addresses the 2.5-cent diversion issue (to the general fund), but, the language would also capture the 5.2-cent per gallon tax break and place those revenues in the Highway Trust Fund (HTF). The American Jobs Creation Act (H.R. 4520) includes provisions that would ensure the Highway Trust Fund is fully compensated for ethanol motor fuel sales. The legislation eliminates the current 5.2 cents per gallon ethanol motor fuels tax incentive and replaces it with a federal general fund tax credit. As such, the HTF would no longer bear the financial costs of federal policy to promote the use of ethanol motor fuels. In addition, the tax bill would permanently redirect the revenue stream from 2.5 cents per gallon of the ethanol motor fuel excise from the federal general fund to the HTF. According to the latest Congressional Budget Office projection, these two modifications would increase HTF revenues by \$18.9 billion over the next six years-- over \$3 billion per year. This is potentially a large increase in Federal funding for Ohio. A year ago ODOT said they expected that the ethanol provisions could bring \$160 million additional to Ohio each year.

The House of Representatives had approved the bill on October 8<sup>th</sup>. The President is expected to sign the bill in the next few weeks.

## [TEA Reauthorization Postponed](#)

And then, there's the not-so-good news from Congress. Once again Congress has failed to enact a 6-year transportation funding bill. TEA-21 expired over a year ago. Federal transportation programs have been continued under a series of extensions of TEA-21. Most recently, Congress passed an eight-month extension bill to continue the TEA-21 highway and transit programs until May 31, 2005. The eight-month extension

bill, H.R. 5138, effectively provides states with two-thirds of their F.Y. 2005 funding, or \$24.5 billion for highways and \$5.2 billion for transit.

TEA reauthorization has become mired in election year politics and competing state interests. House and Senate negotiators had come close to agreeing on the final outline of a compromise package that would authorize nearly \$300 billion for surface transportation programs through 2008. Uncertainty among the states over the impact of this funding level, which guarantees the states \$284 billion over the six-year life of the package, coupled with other policy differences and the short time frame remaining before Congress returned home, scuttled efforts to finish work on the new program.

Next year the industry must redouble its efforts to see an adequate, 6-year transportation funding bill enacted into law. A major issue for Ohio remains the "Equity" concept, to return to Ohio 95% of the revenue it generates for the Federal Highway Trust Fund. This would give Ohio another boost in transportation funding and make full funding of Governor Taft's "Jobs and Progress" transportation improvement plan possible.

## Diamond Achievement Commendations

**Valley Asphalt** has received the Diamond Achievement Commendation for Excellence in Hot Mix Asphalt Plant/Site Operations from the National Asphalt Pavement Association for another of its facilities, plant #17. **Barrett Paving Materials, the Shelly Company, Shelly and Sands/MarZane and Valley Asphalt** have renewed their prior Diamond Achievement Commendations for their other plants, as well.

*Congratulations to the Companies on their Diamond Achievement Commendations.*

## Mark Your Calendars

Winter is Conference and Seminar Season. Of special interest to the Ohio Asphalt Pavement industry are the following:

October 26-27, 2004, **Ohio Transportation Engineering Conference**, Columbus, OH. For details visit [www.otecohio.org](http://www.otecohio.org)

February 3, 2005, **Ohio Asphalt Paving Conference**, Fawcett Center, OSU, Columbus, OH. Watch [www.flexiblepavements.org](http://www.flexiblepavements.org) for more information.

February 28-March 4, 2005, ODOT/FPO Level 3 (previously called level 2)) Mix Design Seminar and Exam, ODOT Central Lab, Columbus, OH. The Department has changed the mix design technician classification from Level 2 to Level 3. Watch [www.flexiblepavements.org](http://www.flexiblepavements.org) for more information.

March 30-31, 2005, **Flexible Pavements of Ohio, 43<sup>rd</sup> Annual Meeting and Equipment Exhibition**, Ramada Plaza Hotel and Conference Center, Columbus, OH. Watch [www.flexiblepavements.org](http://www.flexiblepavements.org) for more information.

## New and Improved Website

Flexible Pavements of Ohio is improving its website to make it more functional, while still offering the informative features without a lot of useless frills. When the new site is rolled out, you will be able to search the site for information by key words and register for seminars and conferences on-line. Look for the improvements to begin appearing the week of October 25<sup>th</sup>, 2004 at [www.flexiblepavements.org](http://www.flexiblepavements.org)

## Sign Up for FPO Publications

In addition to this e-news letter, FPO publishes a quarterly magazine, **Ohio Asphalt**. The fall issue of **Ohio Asphalt** will be mailed in November, 2004. To add your address to the mail lists for the e-news letter and/or the magazine, send a request with your address information to [flexpave@ameritech.net](mailto:flexpave@ameritech.net)

