

# County Wheel Tax as it Applies to Bridge Improvement Grants

## Fact Sheet

In 2015, the South Dakota Legislature created the Bridge Improvement Grant (BIG) fund that provides \$7 million for local government bridges derived from an increase in license plate fees. In addition, the South Dakota Department of Transportation (DOT) adds \$2 million in state funds, for a total of \$9 million annually available in the bridge grant program, until 2019 when DOT will add another \$6 million annually.

State law and the Administrative Rules for the BIG require a County to impose a wheel tax to be eligible to receive a BIG. The SD Transportation Commission considers the rate of wheel tax for the competitive grant awards.

The objective of the Bridge Improvement Grant Procedures is to define how these bridge projects will be prioritized and selected and these funds obligated to Local Public Agencies for highway bridge preservation, replacement, or rehabilitation projects on both federal aid On-System and Off-System routes.

For preliminary engineering and for major rehabilitation or replacement grants, the Counties may receive up to 10 points out of a 100 scale depending on the rate of wheel tax imposed on the greater than 6000 pound weight classification. If the tax imposed is less than \$1 per wheel, no points are allowed. Any assessment between \$1 to \$5 is scored points at the amount of twice the tax rate per wheel.

<b>Assessment/Wheel</b>	<b>Points</b>
\$5	10
\$1.00-\$4.99	Actual \$ Amount X 2
\$0.00 - \$0.99	0

Cities applying for BIG's are not subject to the requirements of a wheel tax and their competitive scores are prorated based on a 90 point scale.

Questions on the Bridge Improvement Grants can be directed to DOT Local Government Assistance Office at 605-773-8148.