

## WILMAPCO's 2014 Our Town September 3, 2014

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www.T4america.org @t4america

# **T4America - Overview**

→Membership organization with reach into 40 states

→Focuses on improving transportation connections within cities and towns, where our nation's transportation program is the weakest.

- → Priorities
  - → New Investment
  - → Reward Innovation
  - → Multimodal Program
  - → More Local Control over Funding
  - → Provide Access to Opportunity





### **People are Driving Less**





Source: FHWA

### **People are Driving Less**



Source: FHWA and Census Bureau



### Inflation is Largest Source of Problem



### Highway Trust Fund is Broke



### **Report on Transportation Fiscal Cliff**

THE END OF<br/>FISCAL DISASTER<br/>FOR TRANSPORTATION





### Federal Percentage of State Programs

#### T4AMERICA

#### THE LOOMING FISCAL DISASTER FOR TRANSPORTATION - DATA

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Table 1: Federal dollars as a percentage of state (capital) transportation budgets (2001-2012)

State	Federal Share
Alabama	67.5%
Alaska	93.3%
Arizona	49.9%
Arkansas	63.0%
California	48.1%
Colorado	52.3%
Connecticut	71.3%
Delaware	42.5%
District of Columbia	52.1%
Florida	39.3%
Georgia	60.4%
Hawaii	70.5%
Idaho	68.0%
Illinois	41.6%
Indiana	55.2%
lowa	58.8%
Kansas	48.4%
Kentucky	44.7%
Louisiana	50.4%
Maine	56.4%
Maryland	49.4%
Massachusetts	38.0%
Michigan	42.3%
Minnesota	60.9%
Mississippi	64.8%
Missouri	63.2%
Montana	88.0%
Nebraska	48.2%
Nevada	52.9%
New Hampshire	64.7%
New Jersey	35.0%
New Mexico	71.7%
New York	44.1%
North Carolina	48.3%
North Dakota	77.9%

State	Federal Share
Ohio	59.0%
Oklahoma	61.6%
Oregon	54.5%
Pennsylvania	47.4%
Rhode Island	98.1%
South Carolina	79.5%
South Dakota	72.0%
Tennessee	62.9%
Texas	43.8%
Utah	34.6%
Vermont	84.2%
Virginia	58.6%
Washington	36.2%
West Virginia	60.8%
Wisconsin	54.4%
Wyoming	72.7%

Notes: Compares federal highway funding provided to states with state capital outlays for highways, and federal transit capital funding provided to states and urbanized areas with transit capital expenditures.

#### Sources: Highway Receipts:

FHWA: Highway Statistics Series 2001-2012, Table SF-1, "Revenues Used for Highways by States" and SF-2, "Disbursements by States for Highways"

#### Transit Funds Applied:

FTA: "National Transit Database TS1.3 - Capital Funding Time-Series, 2001 to 2012."



## More Funding: T4A Revenue Proposal

### PAYING FOR PROGRESS



Annual investment needed to make the transportation fund solvent and effective

Daily cost per commuter. About as much as a cup of coffee and a doughnut per week.

### How to raise it

The simplest way: Add 17 cents per gallon to the federal gas tax. Other possibilities (choose one):

- Replace the existing per-gallon tax with a sales tax of 11%; or
- Introduce a fee of \$4 on each barrel of oil; or
- Add a sales tax of 5.5% to fuel purchases; or
- Index the gas tax to construction costs and raise one of the above taxes/fees a lesser amount.



### **Turn Program Over to States**



### 113TH CONGRESS 1ST SESSION H.R. 3486

To empower States with authority for most taxing and spending for highway programs and mass transit programs, and for other purposes.

Ι

### IN THE HOUSE OF REPRESENTATIVES

#### NOVEMBER 14, 2013

Mr. GRAVES of Georgia (for himself, Mr. DUNCAN of South Carolina, Mr. WOODALL, Mr. DESANTIS, Mr. HUIZENGA of Michigan, Mr. WEBER of Texas, Mr. AMASH, Mr. ROKITA, Mr. WESTMORELAND, Mr. STUTZMAN, Mr. GOHMERT, Mr. FRANKS of Arizona, Mr. JONES, Mr. HENSARLING, Mr. MULVANEY, Mr. SCHWEIKERT, Mr. LONG, Mr. BROUN of Georgia, Mr. GINGREY of Georgia, Mr. BRADY of Texas, and Mr. HUELSKAMP) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committees on Ways and Means and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned



# **Raise Funding Locally**

### THE WALL STREET JOURNAL, ≡ | u.s. TOP STORIES IN POLITICS AND POLICY 12 2 of 12 Fed Cuts Bond Buys, Sees GOP Says 67% Capital Journal Davl Growth Pickup Pay Health New Subur... Premiums POLITICS AND POLICY States Raise Gas Taxes to Pay for Infrastructure As Congress Only Takes Short-Term Steps, Governors Seek More Funds for Roads 🗠 Email 🖶 Print 💻 Comments 🛛 👫 💟 👫 🚺 A A \$4 for 4 Weeks SUBSCRIBE NOW ARTICLE FREE PASS Enjoy your free sample of exclusive subscriber content. By JOSH MITCHELL CONNECT Updated April 4, 2014 7:32 p.m. ET

Streetcars sit parked at Atlanta's maintenance facility Wednesday. The city's mayor is exploring a publicprivate partnership to build a light-rail line. Tami Chappell for The Wall Street Journal



# **Raise Funding Locally**

90% 82% 83% 77% 77% 79% 79% 80% 71% 73% 65% 66% 68% 70% 60% 51% 4636 50% 40% 30% 20% 10% 054 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013

**Transit Measure Success Rate** 

# 73% Success Rate for Transit Measures 2000-2013



# **Target Funding for Better ROI**

### **Employment Impacts per \$1 Billion in Infrastructure Spending**

Category	Jobs (Direct and Indirect)*	Plus Induced Jobs	Difference from "New Road Construction"
New Road Construction	12,638	17,472	
Road Repair Work	14,790	20,317	+16%
Mass Transit	17,784	22,849	+31%

\* Direct: people working on the project (person laying asphalt). Indirect: people making things for the project (person working at the asphalt plant). Induced: Direct and indirect employees spending their wages (Either one buying lunch).



### **ROI: Tennessee**

### **Expedited Project Delivery Savings**



### **Innovation in Surface Transportation**

tation to establish an innovation in surface transportation program, and for other purposes.

### IN THE HOUSE OF REPRESENTATIVES

Mr. RODNEY DAVIS of Illinois introduced the following bill; which was referred to the Committee on

### A BILL

- To amend title 23, United States Code, to direct the Secretary of Transportation to establish an innovation in surface transportation program, and for other purposes.
  - 1 Be it enacted by the Senate and House of Representa-



## **TIGER Program**



# **TIFIA Loan Program**

Master Tobacco Settlement Funds (Staten Island Ferry Project, NY)

Property Tax Increment and Passenger Charges (Transbay Terminal, CA)

Toll Revenues (US 36 Managed Lanes, CO)

Sales, Property, and Hotel Taxes (Denver Union Station, CO)

Car Rental Charges (Miami Intermodal Center, FL) (TIFIA) Transportation Infrastructure Finance and Innovation Act

- Eligible projects: transit, highways, intercity rail, and multimodal facilities
- Up to 33% of eligible costs, with new Secretarial authority to raise 49%
- Project must have a dedicated repayment source (toll, sales tax, etc.)
- Delayed repayment up to 5 years following substantial completion

Current Interest Rate 3.41%



## **Reauthorization of MAP-21**

### **GROW AMERICA Act**

- 4-year bill
- \$20 billion more funding per year paid for with corporate tax reform
- Creates multimodal freight program
- Rewards innovation through competition

Senate Bill

- 6-year bill
- "Pay for" is not yet designated
- Creates highway freight program



### **National Perspective**

- Nearly 57% of U.S. households are childless
- In 1994, 70% of 18-year-olds had their driver's license. Today, 54% do.
- Since 1995, transit ridership is up 37.2%, outpacing population growth (20.3%).
- Divide between transit and cars is breaking down due to technology.



# **Transportation and Economics**

- Every 10% increase in traffic delay per person is associated with a 3.4% increase in per capita GDP
- 5-10% reduction in traffic speeds increases property values 18-20%.
- Homes in walkable areas have 12% higher value, commercial properties see 5-8% increase in value.
- Areas with transportation choice have higher levels of economic mobility.
- Livable communities generate 10 times more tax revenue per acre than conventional suburban development.
- Retail customers who arrive by foot or bike shop most often and spend the most.

### **Transportation for America**

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