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Summer officially begins this month and many North Carolinians will start making vacation plans. Often that means driving to a destination several hours away. This year, you may be surprised by the terrible road conditions you'll encounter along the way.

According to a recent report by Smart Growth America and Taxpayers for Common Sense, states are spending more money building new roads rather than maintaining existing ones, which are in dire need of repair. This study examined data collected from 2009-2011 by the Federal Highway Administration to calculate how much each state spends on road repairs compared to road expansion. For North Carolina, road repair makes up only 17% of total road repair and expansion expenditures. In other words, 83% of road funding goes toward expansion rather than maintenance. Not only is our budgetary allotment for road maintenance lower than the median of 45%, we are one of just a few states that spend less than 20% on existing roads.

These findings are validated by the 2013 infrastructure report card produced by the American Society of Civil Engineers which grades each state on everything from water to transportation. North Carolina received a “C” for its infrastructure needs, a significant improvement from the 2009 report card grade of a “D-.” Delving deeper into the report...
reveals some of the key findings about the state’s roadway conditions:

- North Carolinians spent $1.555 billion each year on additional vehicle maintenance and repair costs resulting from unfavorable road conditions;
- 12% of all bridges in North Carolina are in need of structural repair; and
- Approximately 30% of state roads are in "fair" or "poor" condition.

Rehabilitation of a road in poor condition costs far more than maintenance. According to the American Association of State Highway and Transportation Officials (AASHTO), spending one dollar to keep a road in good condition avoids seven dollars to reconstruct it once it has fallen into disrepair. But soaring construction costs, tight budgets, and increasing needs make it hard for states to keep on top of all the repairs. With revenues, such as the gas tax, falling far short of the repair budget, what should states do to maintain their roads?

Right now North Carolina seems reluctant to make any new funding changes for state transportation needs. For example, last year, the North Carolina House of Representatives voted unanimously to ban new tolls on any existing Interstate highway, effectively ending the state’s plan to add tolls on parts of Interstate 95 that run through eight NC counties. Governor McCrory also supported this decision.

Things do not look promising at the federal level, either. In July, the nation will face a “highway cliff,” as the national Highway Trust Fund will be depleted. President Obama encouraged Congress in mid-May to work together to pass a bill that would replenish the...
fund; however, if the $16 billion funding gap is not filled, the states will be responsible for funding highway projects on their own.

In that case, creative thinking will be essential for locating additional revenues for ongoing road maintenance costs. Possibilities may lie in public-private partnerships, an infrastructure bank, a change in the gasoline tax, or a Vehicle Miles Traveled (VMT) fee similar to that designed by Oregon's DOT. Last year, Virginia replaced the gas tax with a new alternative vehicle tax and an increase in the general sales tax. It remains to be seen how successful this initiative will be at funding their road needs, but this program demonstrates the kind of creative problem solving necessary for addressing this pressing issue.

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What interests you about the natural and built environments in our state? Let us know, and it could be a topic for a future IEI Environments newsletter.