



February 7, 2011

The North Carolina General Assembly
16 West Jones Street
Raleigh, NC 27601

To the Honorable Members of the North Carolina General Assembly:

On behalf of our members and transportation advocates around the state, the *NC Go!* executive committee welcomes you and wishes you success in the 2011 legislative session. You have challenging work ahead as you contend with the needs of our state during our current economic situation. Key to North Carolina's recovery will be our state's ability to grow and retain jobs, and foster a climate for economic prosperity and the recruitment of business and industry.

Our state's transportation system plays a vital role in economic growth and job creation. To compete in today's economy, businesses demand access to a safe and efficient transportation and logistics system. If they are unable to move their workers, services and goods in a cost-effective way, they will locate elsewhere. Our transportation system should not be a barrier to recruiting businesses that create jobs.

For years North Carolina was known as the *Good Roads State* because of our superior highway and road system. However, years of inadequate funding, increased system use due to population growth and the ravages of time have put that reputation at risk. North Carolina has the second largest state-maintained roadway system in the nation – nearly 80,000 miles. That means state, not local funds, are required to ensure our system is safe and efficient.

There is an estimated \$65 billion shortfall in funding required by 2030 to adequately plan, design, build and maintain our state's transportation system. In order to improve mobility, increase safety, and attract and retain businesses that create jobs, now is the time to look to the future and decide what sort of transportation system we want to show the nation and world. We can make bold decisions and invest wisely in projects that grow jobs and our economy. Or we can plan only for today and face the consequences in traffic congestion, unsafe highways and bridges, and missed business opportunities.

In 2011, *NC Go!* urges the legislature to consider the following:

- **Preserve existing funding sources.** The motor fuels tax (gas tax) is our state's most important source of highway revenue. Motorists are willing to pay for good roads as long as that money is used as intended. Funds raised from transportation sources should not be diverted to non-transportation sources.
- **Explore alternative funding sources.** North Carolina's Highway Use, driver's license and registration fees lag behind most of our neighboring states – all of which have tens of thousands of fewer miles of state-maintained roads. Set fees at levels sufficient to maintain our highway system.

NC Go!
Executive Committee

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For more information visit www.ncgo.org

- **Utilize alternative financing when possible.** Toll roads are the most accurate form of a “user-pays” system – where drivers pay for the miles they drive. Toll financing and Public Private Partnerships (PPP) are our best options for completing major urban projects that ease congestion years earlier than with traditional financing strategies.
- **Reduce congestion and improve mobility.** Roads and bridges alone will not meet the mobility needs of North Carolina. Public transportation like buses and Charlotte’s LYNX Blue Line light rail get workers to jobs, ease congestion and move cars off the road to accommodate business vehicles.
- **Consider our state’s long-term transportation needs.** The gas tax and existing fees cannot keep pace with the population growth and increased demands placed on our transportation system. And with more hybrid vehicles and electric cars now in production, the gas tax is becoming a less-accurate measure of a driver’s use of the roads. State leaders need to embrace alternatives for financing our transportation system. In the meantime, consider adjusting fees to factor in heavier vehicles and their impact on roads.

Now is the time to act to preserve and create jobs, and make North Carolina a destination for businesses. Investing in our transportation system is an investment in the safety of drivers and in the economic viability of our state. We wish you luck in the 2011 legislative session and hope to serve as a resource to you on transportation issues.

Sincerely,



Marc Finlayson, *NC Go!* Co-Chair



Berry Jenkins, *NC Go!* Co-Chair



NC Go! Facts

- The unemployment rate in North Carolina was 9.8 percent in December 2010. Construction unemployment currently exceeds 20 percent.
- Transportation construction project bids are running 20 percent below engineers' estimates due to market conditions. Some competing firms have indicated they have bid some projects at or below their costs in order to try and maintain their firms in hopes the economy will rebound.
- **For every \$1 billion invested in transportation infrastructure, approximately 28,500 jobs are created both directly and indirectly.** A modest 1 percent increase in our Highway Use Fee could raise almost \$200 million and create 5,700 new jobs.
- North Carolina has 79,288 miles of state-maintained roadways – the second largest state-maintained roadway system in the nation.
- It is estimated that North Carolina's population will increase by **4 million between 2000 and 2030 – a 50 percent increase.** Vehicle travel in North Carolina already increased 60 percent from 1990 to 2008 – **from 62 billion to 100 billion miles traveled.** By 2030, vehicle travel in North Carolina is projected to increase another 45 percent. Additional drivers traveling more miles means added strain and wear on the highway system.
- Our transportation system stimulates global competitiveness and allows our state to attract businesses. Highways are essential to offering a complete logistics system, linking vital urban hubs, manufacturing and population centers, and connecting our ports with delivery facilities and users.
- According to a 2010 TRIP (The Road Information Program) report, poor road conditions cost North Carolina drivers an additional \$1.6 billion in vehicle repairs and maintenance. In the Charlotte-area, drivers waste 40 hours a year in traffic, and Raleigh-Durham area drivers lose 34 hours a year in traffic. And according to the Texas Transportation Institute's *Urban Mobility* study, rush hour/peak congestion delays cost commuters in Raleigh/Durham and Charlotte between \$620 and \$651 per year.
- According to the most recent ASCE (American Society of Civil Engineers) Infrastructure Report Card, North Carolina received the following grades for its infrastructure.

Bridges: C-	Roads: D-
Airports: D+	Rail: C