



For Immediate Release

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Statement by NC Go! Co-chairs Marc Finlayson (NC Highway 17 Association) and Berry Jenkins (Carolinas AGC) on Gov. McCrory's Strategic Mobility Formula

We commend Governor McCrory, legislative leaders and Board of Transportation members for working together to refocus how transportation dollars are spent in North Carolina in their just-announced Strategic Mobility Formula. Using facts and data to prioritize projects in an era of limited and declining transportation revenue makes sense. And if, as the Governor says, North Carolina can build more roads with less money, the state will benefit. North Carolina has many critical projects that meet the tests for improving mobility and connectivity, mitigating congestion and fostering commerce and job growth.

This strategic refocusing acknowledges that our state has become more urbanized, with great projected growth in our metro areas. Directing funds to transportation projects that improve safety, mobility and the delivery of goods and services along key corridors is a sound use of the limited transportation dollars projected under existing resources.

At the same time however, while basing project funding and prioritization on data and growth projections will help us address needs in urban areas, we should not neglect the rural communities in our state. It's not clear under this new plan how these areas will compete for vital funds. But, we know that a cut-and-dry approach that focuses almost solely on population will further exacerbate the struggles rural communities already face in attracting businesses and creating jobs.

More importantly, this plan still does not get to the underlying problem; our state has too little revenue to adequately address the challenges we'll face over the next 25 years. We can't simply re-slice the pie again and again – we need a bigger pie. All indicators show that revenue is declining and will continue to do so in light of increased vehicle fuel efficiency. And, we know our state will attract more citizens, drivers and cars. Shifting money and reprioritizing projects may be necessary under the circumstances but it's a short-term fix.

Once again, there are no new transportation revenue options offered, nor is there a plan to address the diminishing power of the motor fuels tax. A little more than \$150 million is being redirected from NCDOT's operational and maintenance uses to other highway projects. And, there still exists a transfer of transportation funds to the General Fund to the tune of more than \$250 million. This erodes the public's confidence in how transportation funds are used – specifically the tax they pay at the pump under the premise it is used to improve and maintain our roads. Diversions of transportation dollars have been a topic in many campaigns, and as NCDOT is seeking to operate more efficiently, this would be a good time to restore the public's confidence and address end the transfers now.

If North Carolina wants to remain a destination for families and businesses, we have to invest in our transportation infrastructure in a manner that signals our willingness to be a real player – a competitive



option to other states. We have to invest in highways, bridges and other modes of transportation that go beyond maintaining the existing system we have, and we must truly plan for growth.

Efficiently using the revenue we've got should always be a priority, and Governor McCrory deserves our praise for that. But if we intend to attract major businesses and industry – serving not just our state, but the nation and globe – we cannot rely on shrinking funding measures that are more than 25 years old that have simply been put into new piles.

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