Survey: Future of Transportation Funding

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Who Was Surveyed?

43/46 State Chambers
How would you rate the overall condition of your state's transportation infrastructure?
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45%
How would you rate the overall condition of your state's transportation infrastructure?

- Very Good: 2
- Good: 7
- Acceptable: 14
- Poor: 17
- Very Poor: 2

22% 45%
How important is increasing transportation investment and/or funding for your state chamber in the next legislative session?
Funding Priorities

How important is increasing transportation investment and/or funding for your state chamber in the next legislative session?

76% (32)
**Funding Priorities**

If increasing transportation investment/funding is important, what is your primary goal?

<table>
<thead>
<tr>
<th>Priority</th>
<th>Percentage</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attract Businesses</td>
<td>3.23%</td>
<td>1</td>
</tr>
<tr>
<td>Improve Congestion/Capacity</td>
<td>22.58%</td>
<td>7</td>
</tr>
<tr>
<td>Financing / P3s</td>
<td>9.68%</td>
<td>3</td>
</tr>
<tr>
<td>Protect Investment / Lockbox</td>
<td>6.45%</td>
<td>2</td>
</tr>
<tr>
<td>Long-term, Sustainable Investment</td>
<td>67.74%</td>
<td>21</td>
</tr>
</tbody>
</table>
Funding Priorities

If increasing transportation investment/funding is important, what is your primary goal?

“Ensuring the state has a safe, reliable, efficient multi-modal transportation system that helps businesses get their goods and services to market and their employees and customers to their door.”
Funding Priorities

If increasing transportation investment/funding is important, what is your primary goal?

“Seeking acceptable user fee increases after cost efficiencies are fully realized.”
If increasing transportation investment/funding is important, what is your primary goal?

“Passing a constitutional amendment that would ensure transportation revenue is spent on transportation investment.”
## State Funding Options

How likely is your state chamber to support the following options to increase your state’s transportation revenue?

<table>
<thead>
<tr>
<th>Option</th>
<th>Extremely unlikely</th>
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<td>Raise the per-gallon fixed rate gas tax</td>
<td>10%</td>
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<td>35%</td>
<td>20%</td>
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<tr>
<td>Add a variable gas tax rate</td>
<td>17%</td>
<td>24%</td>
<td>32%</td>
<td>12%</td>
<td>10%</td>
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<tr>
<td>Index the state gas tax to CPI</td>
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<tr>
<td>Raise vehicle registration fees</td>
<td>2%</td>
<td>9%</td>
<td>30%</td>
<td>30%</td>
<td>19%</td>
</tr>
<tr>
<td>Raise the general sales tax and earmark a portion towards the state transportation fund</td>
<td>38%</td>
<td>29%</td>
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<td>14%</td>
<td>2%</td>
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<tr>
<td>Shift general fund surplus towards transportation fund</td>
<td>14%</td>
<td>19%</td>
<td>16%</td>
<td>26%</td>
<td>16%</td>
</tr>
<tr>
<td>Authorize state to raise funds through bonds</td>
<td>7%</td>
<td>9%</td>
<td>26%</td>
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*Note: We've already accomplished this option.*

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**Council of State Chambers**
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- **55%**
- **49%**
- **42%**
- **44%**
State Funding Options

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- Raise the per-gallon fixed rate gas tax: 10% Extremely unlikely, 10% Unlikely, 10% Neutral, 35% Likely, 20% Extremely likely
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67%
State Funding Options

How likely is your state chamber to support the following options to increase your state's transportation revenue?

- Raise the per-gallon fixed rate gas tax
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  - Unlikely: 10%
  - Neutral: 10%
  - Likely: 35%
  - Extremely likely: 20%
  - Accomplished: 15%

- Add a variable gas tax rate
  - Extremely unlikely: 17%
  - Unlikely: 24%
  - Neutral: 32%
  - Likely: 12%
  - Extremely likely: 10%
  - Accomplished: 5%

- Index the state gas tax to CPI
  - Extremely unlikely: 17%
  - Unlikely: 21%
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  - Likely: 21%
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  - Neutral: 26%
  - Likely: 28%
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  - Accomplished: 14%
The federal FAST Act provides discretionary grants to states to test and pilot road usage charge programs. Oregon, California, and Washington and other states are experimenting with pilot programs to replace their gas tax with a mileage fee on vehicles in the state. How likely is your state chamber to support the study or pilot program of vehicle miles traveled fee (or similar structure) to increase and stabilize your state’s transportation revenue in the long term?
States have confronted and are working through multiple concerns with a vehicle miles traveled fee. States are experimenting by providing drivers the choice of tracking miles via GPS, an odometer, or paying a flat yearly fee. What do you see as the most significant concerns related to a road user charge system?
“Devolution”

Considering the role of federal funding, some advocates in Congress would like to take the federal government out of the transportation funding picture altogether and rely on states to fund their own transportation systems. Would your chamber support “devolution” of the transportation funding system to the states only?
### Long Term Concerns

**What are your biggest long term concerns for transportation funding?**

<table>
<thead>
<tr>
<th>Concern</th>
<th>%</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Declining Revenues, Rising Costs</td>
<td>30.56%</td>
<td>11</td>
</tr>
<tr>
<td>Long Term Sustainability</td>
<td>41.67%</td>
<td>15</td>
</tr>
<tr>
<td>Protecting Current Investment / Improve Financing</td>
<td>16.67%</td>
<td>6</td>
</tr>
<tr>
<td>Reliability of Federal Funds</td>
<td>13.89%</td>
<td>5</td>
</tr>
</tbody>
</table>
Long Term Concerns

What are your biggest long term concerns for transportation funding?

“Solely relying on the gas tax will not provide the necessary funding to improve and expand the state's transportation and infrastructure needs.”
Long Term Concerns

What are your biggest long term concerns for transportation funding?

“
What will driverless cars and the sharing economy do to the network and how do you capture revenue from those changes? “
Long Term Concerns

What are your biggest long term concerns for transportation funding?

“Creating a system that does not penalize drivers who live outside of the city due to economic issues from having to pay more simply based on the number of miles traveled.”
Long Term Concerns

What are your biggest long term concerns for transportation funding?

“Solely relying on the gas tax will not provide the necessary funding to improve and expand the state's transportation and infrastructure needs.”