## **Transportation**

## Study: Roadways don't yield sufficient gas tax revenue to cover upkeep costs

## By Ashley Halsey III January 28

Understanding the traffic congestion that smothers Washington and most major cities is a simple numbers game: Since 1960, the U.S. population has grown by 135 million and the number of motor vehicles on roads has increased by 179 million, traveling almost 2.2 trillion miles farther.

Yet the network of roads to handle those burgeoning numbers grew by just 15 percent during those 55 years. Already lagging behind the demand, and with hundreds of thousands of miles in need of repair, the roads will be asked to absorb a population expected to swell by an additional 100 million in the next 50 years.

"Highways are incredibly important, but we have spent decades trying to solve every mobility need with big roads, and it hasn't worked," said Kevin DeGood of the Center for American Progress (CAP). "What we need is a system that provides people with real choice."

DeGood co-wrote a report, released Wednesday, that challenges the status quo in transportation thinking and debunks the belief that highways can pay for themselves while public transit cannot.

"While roads have never paid for themselves, there was a time when user fees covered a larger share than they do today," he said.

The report arrives at a time when traditional thinking on transportation is under challenge, an era that may be viewed in hindsight as pivotal in reshaping the transportation landscape.

If that becomes its legacy, the moment was born out of necessity. The systems that allow people to get from place to place are pinched between a critical need for fresh cash and a reality that the approaches that have worked for 60 years may not sustain future growth.

Throw into the caldron technology's proven ability to alter everything, and the stage is set for an evolutionary approach.

"The growth we're having in this country can't be met with current resources," Transportation Secretary Anthony Foxx said in an interview this month.

The need for a new source of transportation <u>funding</u> is under discussion in Washington this week, where lawmakers face a May deadline to come up with a plan before current funding expires.

Foxx is preparing <u>an outline</u> for the nation's transportation future that he hopes will start a discussion on how to shape transportation planning.

"The idea that we're looking at the system comprehensively is the thrust of this report," he said. "Transportation is a system of systems. They connect, and they're related. What happens if we mesh these trends?"

Some trends already seem established. People are moving back into cities, and driving has declined by almost 9 percent since 2004. Suburbia, however, hasn't lost is allure, and projections suggest that much population growth will come in existing urban areas.

In calling for a different approach, the CAP, founded by John D. Podesta, counselor to President Obama and former chief of staff to President Bill Clinton, joins a spectrum of other groups and elected officials in questioning traditional wisdom.

The Eno Center for Transportation last month suggested a shift from the gas-tax-based Highway Trust Fund to a system that draws transportation money from general tax revenue.

"Maintaining the status quo will continue to produce funding uncertainty," Eno said in a report.

The CAP report says the fund should be renamed the Transportation Trust Fund to reflect an expanded scope that would cover not just highways and transit systems, but also railroads, ports and multimodal facilities.

"Renaming the fund would powerfully reinforce the broad mandate of the federal program," DeGood said. "We need to make smart investments across surface modes, including highways, transit, freight and passenger rail, and multimodal projects."

He suggests that federal funds should be allocated through a competitive process and that states be granted more flexibility in deciding how money should be spent.

In saying that 40 percent of U.S. roadways don't generate enough gas-tax revenue to pay for their maintenance, DeGood's report uses that argument as the fulcrum for another.

"In many urban areas, transit, passenger rail, or other multimodal projects are the most effective means of achieving an efficient, economically productive, equitable and environmentally sustainable transportation system," he writes. "Beyond the issue of funding, transit provides significant benefits for people who exclusively drive, as public transportation lowers roadway congestion."

He and co-author Andrew Schwartz advocate big-picture "scenario planning" that echoes Foxx's desire to "focus on the horizon."

The CAP report says that "rather than starting with a narrow review of existing transportation assets and lists of project requests from local communities, scenario planning asks more fundamental questions about what a community should look like 10, 20 or 30 years in the future and then works backward to find the appropriate mix of projects to achieve that vision."

Ashley Halsey reports on national and local transportation.