



Talking Points on Transportation

Why is transportation important?

- Our economy is dependent on the efficient movement of people and goods. Congestion adds to the cost of doing business in the state as trucks and workers sit stuck in traffic.
- The quality of the transportation system impacts public safety. Over 600 Minnesotans have been killed every year for the last decade in traffic accidents. Road design and conditions are a factor in those accidents.
- The quality of life in our state is impacted by inadequate transit choices, bottlenecks and crumbling infrastructure as we lose time with family and friends and worry about our ability to travel safely.
- Everyone depends on the transportation system to get around and live their lives.

What is the problem?

- Each year, about 600 people are killed, and another 50,000 are injured in traffic accidents.
- Traffic accidents are the leading cause of death for people ages 1-34.
- In 2003, 655 fatal crashes occurred in the state, 65% occurred on two-lane roadways.
- The number of vehicle miles traveled has outpaced population growth and has far outstripped the ability of the system to keep up with demand.
- Commuters pay a “congestion tax” of over \$700 per year in wasted gas and time.
- Twin Cities drivers lose 42 hours a year stuck in traffic.
- In Greater Minnesota, businesses need to ship products to or through Metro Area and are also impacted by congestion.
- Spring weight restrictions add to delay and cost of getting commodities delivered.
- 1 million additional residents will move into the metro area in the next 15 years, adding additional traffic to already congested roadways.
- By 2030, the metro region is expected to add nearly 1 million people – the equivalent of two Denvers plunked down in the metro area –470,000 households and 560,000 jobs. This will generate an additional 4 million daily trips, a 37 percent increase in travel on our region’s roadways.

What do we need to do?

- The estimate for unmet needs for all modes of transportation in Minnesota is approximately \$1.5 billion per year. MnDOT’s performance-based analysis found a need of \$38 billion from 2008-2030 on the state system. Expected revenue equals \$14.2 billion, leaving an unfunded gap of over \$1 billion per year. This estimate does not include the local system.

- An additional \$1 billion per year would allow the state to complete the beltway around the metropolitan area, eliminate bottlenecks, improve interregional corridors throughout the state, improve local roads and city streets, build additional transitways, double the bus system and enhance ports and freight rail connections.
- Both MnDOT and the Metropolitan Council have long-range plans for needed highway and transit investments that have been developed with public input.

How will we pay for it?

- Minnesota has established user fees to fund our transportation system. The motor fuel tax, license tab fees, motor vehicle sales tax, drivers' license fees are all funds derived from users of the system that should pay for the cost of maintaining and improving the transportation system.
- The gas tax has not been increased since 1988. Minnesota's 20-cent per gallon gas tax is now worth about 12.5 cents per gallon in purchasing power when inflation is taken into account. A 5-cent gas tax increase would cost the average driver \$45 - \$50 per year.
- A combination of revenue sources is needed to provide adequate, dedicated, ongoing funding that is flexible enough to fund all modes of transportation.
- Potential revenue sources include: an increase in the motor fuel tax, increase in license tab fees, additional revenue from the motor vehicle sales tax dedicated to highways and transit, increased sales tax with revenue dedicated to highways and transit, other local option taxes including a wheelage tax, increased use of trunk highway bonds and general obligation bonds.
- Providing a minimum of \$750 million per year in additional revenue should be the goal of the 2005 legislature.

Delay will only increase costs for everyone

- Failure to increase revenue for transportation will result in the same projects costing much more to build in the future. Construction inflation has been running at about 12% with skyrocketing prices for oil, steel and aggregate.
- The lack of action will increase the cost to businesses and commuters for lost time and fuel.
- Immediate action is needed to reduce fatalities on our roadways.
- Minnesota's competitiveness will suffer as other states invest in improving their transportation systems to attract businesses.

The legislature needs to act NOW to increase transportation revenue and allow for increased investments in our roadways, transit systems, and other modes of transportation.

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