

# Need for a New and Enhanced USA National Highway Policy and Funding

16<sup>th</sup> IRF World Meeting

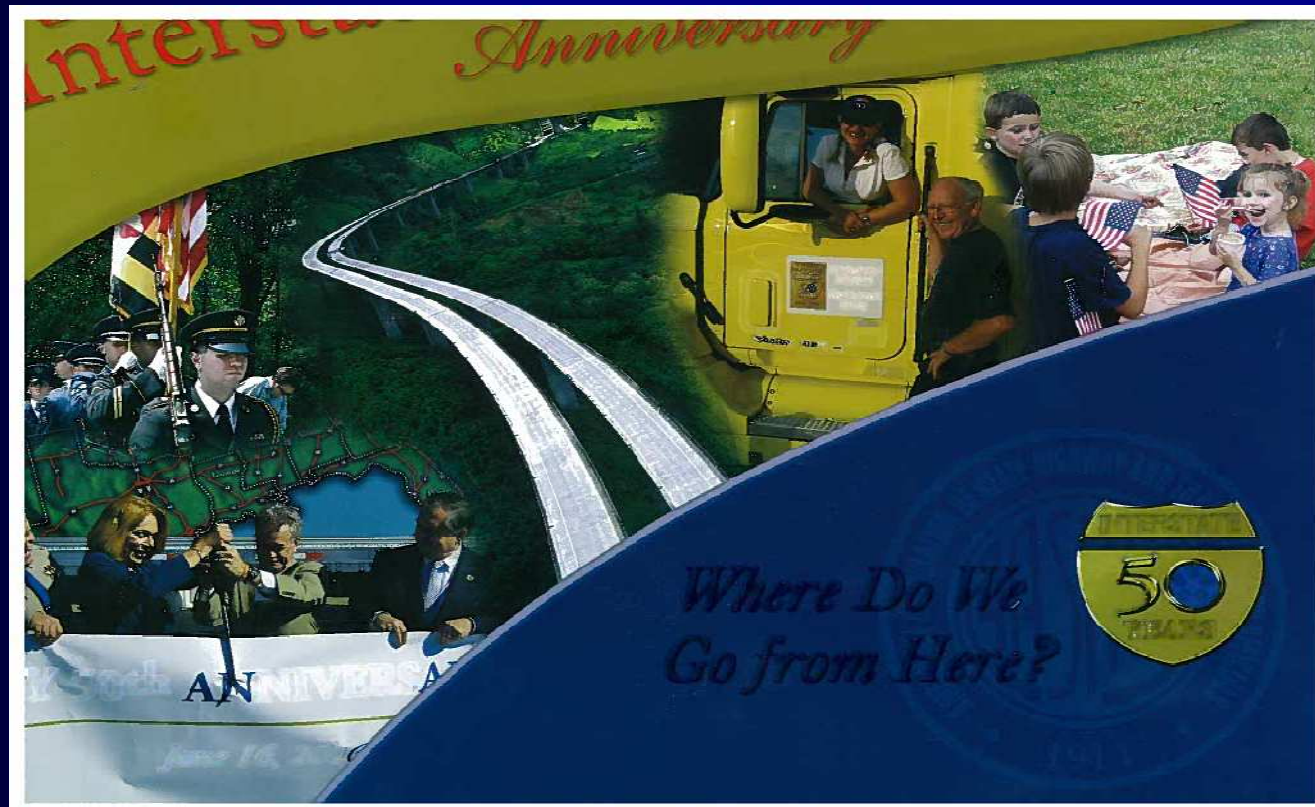
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# History of the Interstate





# Interstate System

Today

- 1% of the 4 million miles of U.S. Roads
- Supports 24% of nations traffic
- 47,000 miles long
- 62 Major Superhighways crisscrossing nation in a grid
- 244 beltways and spurs

- Each Interstate – at least 2 – 12 foot lanes (3.6m) in each direction
- Exits almost every 3 miles (5k) in rural and 1 mile (1.6k) in urban
- 54,633 Bridges and 104 Tunnels have 50 year design life
- Carries **\$15 Trillion** in goods and services to and from manufacturers, retailers and consumers **a year.**

# 10 Major Container Trade Ports



# Devore Interchange in San Bernardino (I-15 and I-215)

- Designed for 100 trips per day
- Today: 21,000 trucks per day, 630,000 trucks per month, 7.2 million per year and growing.
- 2040 – 380,000 commuters and commerce
- 1200 hours of vehicle delay per day..\$3.75 billion annual cost

# Decades of Underinvestment

- Highway Investment Need - \$175 - \$225 Billion **annually** over next 50 years

\$85 Billion – System Rehabilitation

\$71 Billion – System Expansion

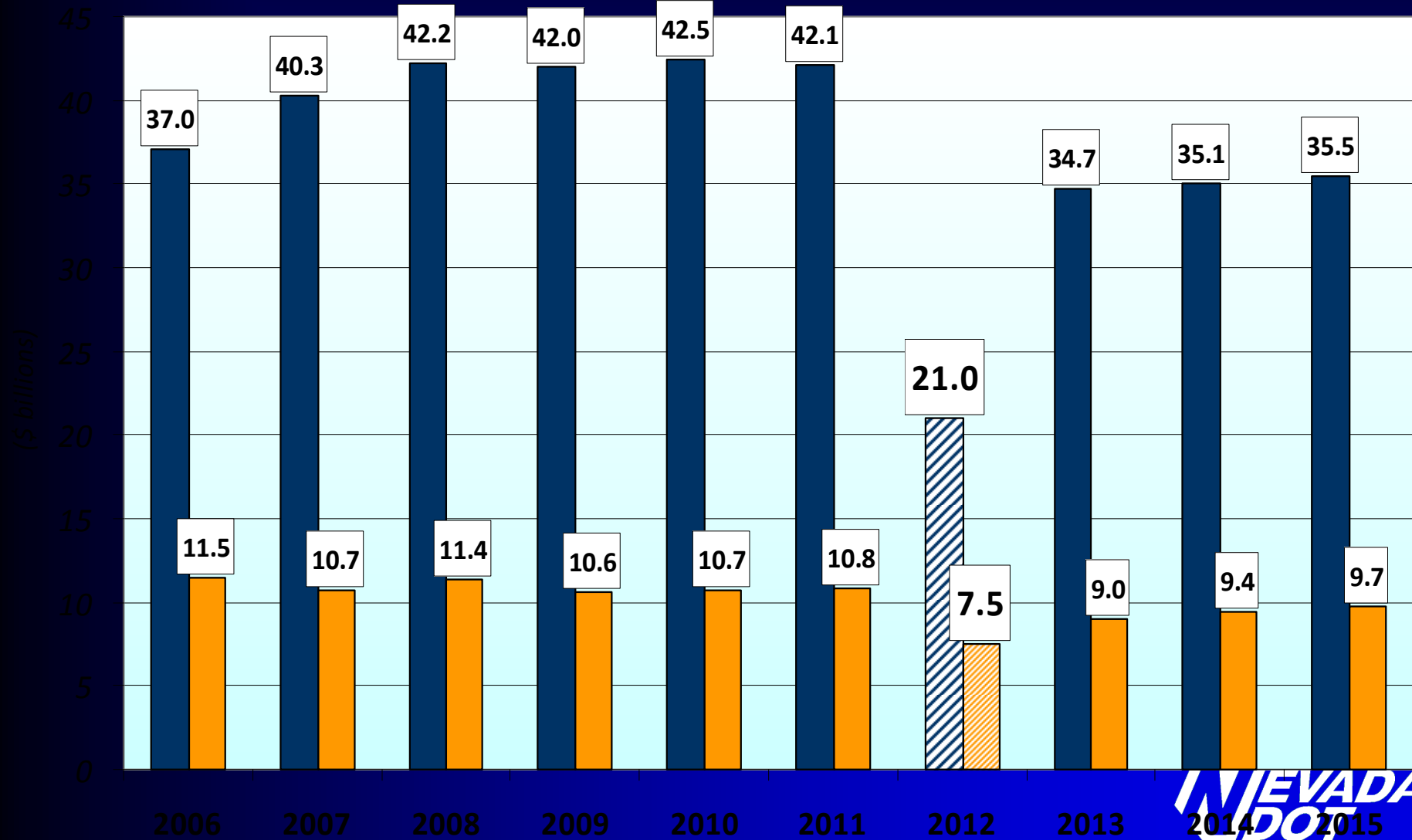
\$18 Billion – System Enhancements

- Current investment – 40%

# Estimation of Reduced Program Spending Beyond 2011

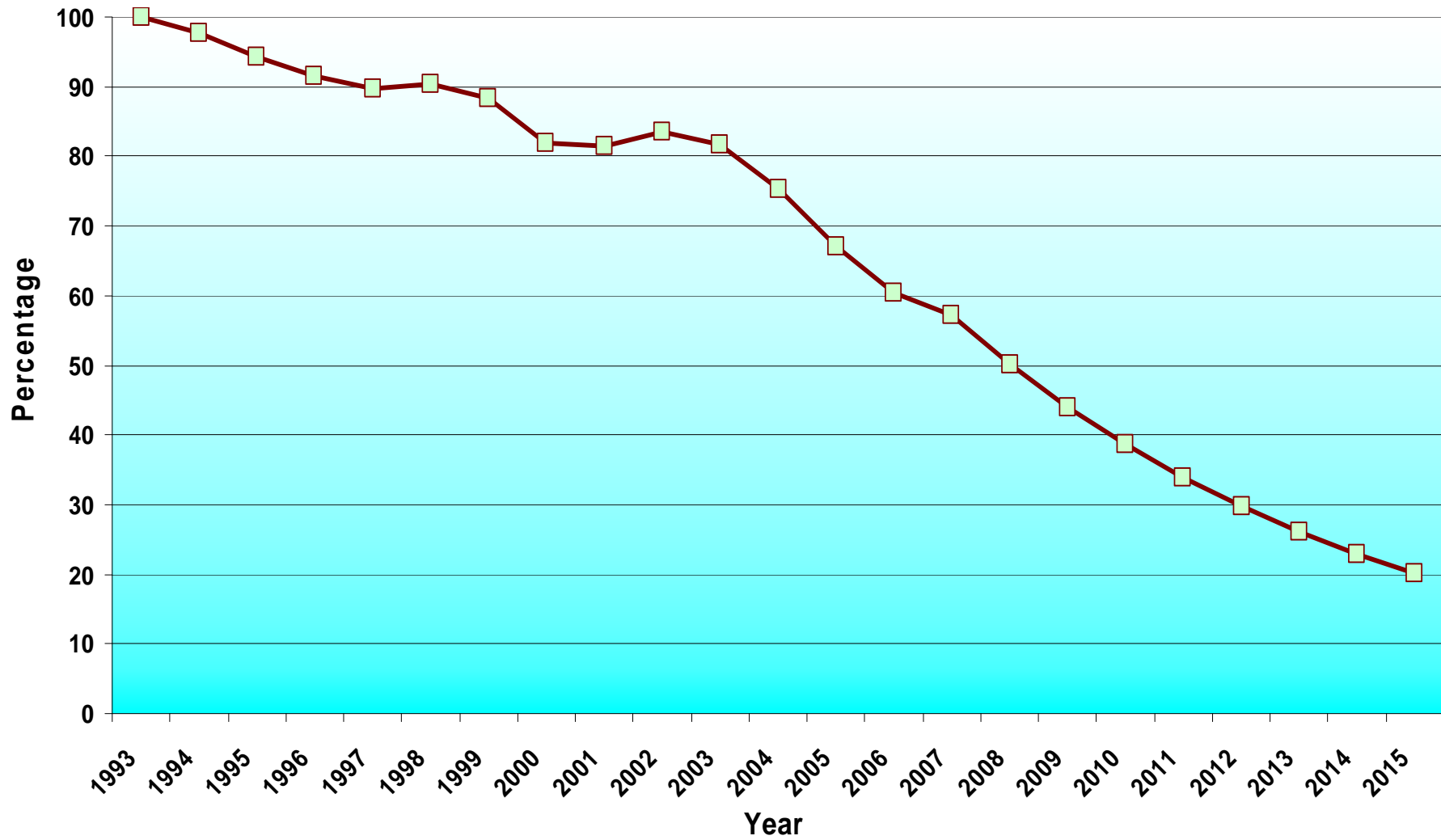
■ Highways

■ Transit



# Decline in Purchasing Power of Motor Fuel Taxes

(Based on Inflation since 1993)



# Future Revenue

- Current US system relies on fuel taxes
- Marked decline in revenues
- Two National Commissions have called for short and long-term solutions.
  - Short Run: Increase fuel taxes....
    - Direct
    - Indexing to Inflation
  - Study feasibility of alternatives... VMT fees

# The Current Climate

- The good and bad news
  - The good news: a high priority given to infrastructure by the new Administration
  - The creation of new law is underway and we have excellent Congressional leadership
  - The bad news: The Highway Trust Fund has gone broke
  - There is no support for increasing user fees
  - There are many competing goals at the national level

# The Obama Administration's Direction

- The new administration took office in January
- The economic crisis led to the passage of an economic stimulus act
- Transportation received \$45 billion in funding
  - Highways \$ 26.6 billion
  - Transit \$ 8.4 billion
  - Aviation \$ 1.3 billion
  - High Speed Rail \$ 8.5 billion

# The Obama Administration's Direction Continued

- The long-term proposals postponed
- Some key features will likely include:
  - Livable communities
  - Major emphasis on transit
  - Congestion reduction
  - Passenger rail revitalization
  - No user fee increases in the immediate future
  - Studies of VMT

# The Washington Debate

- The House of Representatives (T&I Committee) has developed a bill
- The Senate counterpart (EPW) has not
- The Administration has not
- Funding is a critical concern
- Other major legislation has “higher” priority

# AASHTO Focus

- Federal government must continue to play a **strong role** in investing and maintaining an integrated and multimodal national surface transportation system
- States and local governments should be provided with **maximum flexibility** to use federal revenues from existing core sources to meet systemic transportation needs
- Strong **accountability measures** must accompany substantially increased funding to ensure resources are spent as efficiently and effectively as possible

# AASHTO Focus

- We need to restore purchasing power
- Investment levels over the long-term need to correlate with documented needs
- Investments in safety and research remain a compelling need
- The impact of inflation on commodities and construction costs must be addressed in setting investment levels

# How can we move to Success

## ➤ What is Success???

A Safe and Efficient Transportation System

- Livable communities
- Multi-modes... Transit and Rail
- Congestion Reduction
- Safe
- Reliable

# Queen for a Day

- Fund research on new alternatives for funding
- Invest in Infrastructure... Every \$1.00 invested results in \$1.50 back into the economy.... Jobs, Materials, Indirect
- Every \$1 billion in highway infrastructure creates 37,500 jobs.
- Provide Flexibility to maximize funding and build partnerships

Keep Working 😊



# Thank You

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