

## LEGISLATIVE BRIEF: TRANSPORTATION

### 2009-10 legislative goals

- **Transportation Funding** – Oppose legislation shifting the state’s existing responsibility for funding transportation construction and maintenance projects to county governments.
- **Rural Transportation Planning Organizations** – Support legislation providing continued funding of rural transportation planning organizations (RPOs), enabling increased participation in transportation planning for the state’s non-urban areas by local governments. Long-range transportation plans drafted by RPOs or MPOs should be submitted to member boards of county commissioners for review and comment prior to being submitted to the North Carolina Department of Transportation.

### Background

Funding the state’s transportation system has been a major focus for the first year of Governor Beverly Perdue’s term. Long-range forecasts show that the state’s current revenue structure for transportation is woefully inadequate to address the state’s needs and will result in a shortfall of as much as \$65 billion over the next 20 years.

The Association’s primary interest is to make sure that responsibility for funding maintenance or enhancements to secondary roads is not shifted to counties. The secondary road system is currently funded through two sources. The Highway Fund and Highway Trust Fund monies are used to pave unpaved roads and to improve existing paved secondary roads. In 2008-09, these funds generated more than \$159 million for secondary road construction. The DOT also appropriates monies from its general fund for resurfacing and maintenance. In 2008-09, the DOT appropriated \$390 million for resurfacing and maintenance of secondary roads.

In 2007, the General Assembly’s Fiscal Research Division conducted a Justification Review of the Highway Fund and Highway Trust Fund Secondary Roads Program. This review concluded that the state should “reduce or eliminate” these funding programs and “reconsider the State’s role in funding local roads and streets.” The 2007 General Assembly did not act upon those recommendations.

### Outlook for 2010

This issue is receiving a lot of scrutiny. Governor Perdue has created a Logistics Task Force to make recommendations to ensure that people and goods are able to move efficiently across North Carolina. Transportation Secretary Gene Conti has appointed the Intergovernmental Transportation Advisory Taskforce to focus on three major areas: federal transportation reauthorization; land-use planning involving school construction; Communication and Education of DOT/local government processes. The General Assembly’s Joint Legislative Oversight Committee on Transportation also monitors transportation issues.

S758 (Transfer Secondary Roads to Counties) was introduced in 2009 by Sens. Bob Rucho and Dan Clodfelter of Mecklenburg County. The bill would create two road systems in the state: a system of “primary” roads over which the state would maintain responsibility, and a system of secondary roads over which counties would become responsible. The bill provides funding for construction, but not for maintenance. No action was taken on the bill, but it is eligible in 2010. The NCACC opposes S758. This bill would negatively impact every county, particularly rural counties with small tax bases and a lot of secondary roads. Bertie County would need to raise property taxes by 24.5 cents to generate enough revenue to continue funding at current levels. In recent weeks, Governor Perdue and Transportation Secretary Conti have both publicly told the NCACC they do not support this cost-shift to counties.