

South Carolina Alliance to Fix Our Roads: *Membership*

The South Carolina Alliance to Fix Our Roads is the only non-partisan and non-profit 501 (c)(4) organization that brings together state business leaders, associations, and chambers of commerce to advocate for a safer and more efficient South Carolina Highway System.

AAA Carolinas
A.O. Hardee & Son Inc.
American Council of Engineering Companies of SC
Mr. Andrew Johnson, PhD, PE
Argos
Ashmore Brothers, Inc.
Banks Construction Co.
BB&T Insurance Services
Blanchard Machinery Company
C. R. Jackson, Inc.
Carolina International Trucks, Inc.
Carolinas AGC
Carolinas Concrete Pavement Association
Carolinas Concrete Pipe & Products Association
Carolina Ready Mixed Concrete Association
Charleston Metro Chamber of Commerce
Concrete Pipe and Precast, LLC
Davis & Floyd, Inc.
E. S. Wagner Co., LLC
Elliott Realty
Enterprise Holdings
G & P Trucking Company, Inc.
Granite Contracting, LLC
Hanson Aggregates
HDR Engineering of the Carolinas
Infrastructure Consulting and Engineering, PLLC
L. A. Barrier & Son, Inc.
Lane Construction Corp.
Maritime Association of South Carolina
Mr. Mark Fellers, Greenville, SC
Martin Marietta Materials
Material Transport, LLC.
Midstate Chamber Coalition
Midlands Authority for Conventions, Sports & Tourism
Mining Association of South Carolina
Municipal Association of South Carolina
Myrtle Beach Area Chamber of Commerce
Neel-Schaffer Engineering
Norris Supply Company, Inc.
North Myrtle Beach Chamber of Commerce
Palmetto Agribusiness Council
Palmetto Corp. of Conway
Portland Cement Association
Robert D. Robbins, Attorney at Law, LLC
Sanders Brothers Construction Company
Sanitary Plumbing Contractors
SEACO, Inc. Asphalt Emulsion
Sloan Construction Company
South Carolina Alliance for Mobile Infrastructure
South Carolina Asphalt Pavement Association
South Carolina Association of Tourism Regions
South Carolina Farm Bureau Federation
South Carolina Forestry Association
South Carolina Restaurant and Lodging Association
South Carolina Trucking Association
Southeastern Concrete Products Co.
Southeastern Freight Lines
Sprague & Sprague Consulting Engineers
Mr. Stan Bland, PE
Stantec Consulting Services, Inc.
Strange Bros. Grading Co., Inc.
STV Incorporated
Summerville Chamber of Commerce
Superior Transportation, Inc.
Thompson Trucking Company
Trident CEO Council
Twilley, Fondren & Associates, LLC
Upstate Chamber Coalition
URS Corporation
Vulcan Materials Company
Wake Stone Corporation
Willis of SC
Zachry Construction

South Carolina Alliance to Fix Our Roads: *Current Condition Overview*

Current Highway Funding in South Carolina

Highway funding in South Carolina comes primarily from the 16.75 cents per gallon motor fuel user fee, which was last increased in 1987 and has never been adjusted for inflation. These revenues are not keeping pace with inflation, and this has affected SCDOT and their ability to fix our roads. South Carolina ranks at the bottom nationally in investing in its roads. The state's spending per lane-mile is 66% lower than the regional average.

North Carolina and Georgia are our primary competitors for both economic development and tourism. Each of these states funds their highways at a much higher level than we do in South Carolina. North Carolina's motor fuel user fee is 37 cents per gallon, and Georgia's is 28.6 cents per gallon. If we continue to ignore our transportation infrastructure, we will lose out to our sister states.

Transportation Funding: 2013 – 2016

Since 2013 over \$1 billion has been allocated to roads and bridges. However, much of those allocations were one-time appropriations and only \$260 million in new recurring funding. The funding allocations over the past 3-years only address 15% of SCDOT's total needs. The legislature has provided SCDOT with funds to begin addressing some of the most problematic areas. However, to bring South Carolina's roads back into good condition, SCDOT will need additional, sustainable, and recurring funding to make up for the nearly three decades of deferred maintenance.

Additional Transportation Infrastructure Needs in South Carolina

- \$1.5B per year, for 20 years, is needed to bring our roads up to a level of service of "good"
- \$500M per year is needed to bring our system up to a level of service of "fair"
- An additional \$350M is needed annually to increase interstate capacity up to a "good" condition
- An additional \$35M is needed annually to maintain interstate pavement in a "good" condition
- An additional \$440M is needed annually to increase primary road capacity up to a "good" condition
- An additional \$90M is needed annually to maintain primary road pavement in a "good" condition
- An additional \$540M is needed annually to maintain secondary road pavement in a "good" condition
- There are 830 structurally deficient bridges, of which 396 are load restricted
- An additional \$35M is needed annually for bridge replacement

*January 2016 statistics

The Facts:

- Only 18% of roads in South Carolina are in good condition
- The number of poor roads in South Carolina has grown from 31% (2008) to 54% (2014)
- 31% of South Carolina's interstates experience recurring congestion

The Cost:

- South Carolina's roads are among the most dangerous in the nation with over 900 deaths occurring annually
- Driving on poor roads costs South Carolina motorists a total of \$1.1 billion annually
 - Charleston driver = \$1,168.00
 - Columbia = \$1,248.00
 - Greenville = \$1,248.00
- South Carolina motorists lose over 18 million hours every year sitting in traffic
- SCDOT estimates that traffic congestion in the Palmetto State has cost our economy \$2.6 billion

Without additional funding, SCDOT can only manage the continued decline of the system.

South Carolina Alliance to Fix Our Roads: *Strategic Plan*

SCFOR's 2017 Legislative Campaign

SCFOR is committed to continuing the campaign to pass a long-term transportation plan. The media and the actual condition of the roads continue to be the greatest advocates, and it is our goal to turn the public outcry into legislative action.

Additional Funding Recommendations:

While we support raising and indexing the motor fuel user fee, we also believe the General Assembly should diversify transportation revenue streams such as increasing the vehicle sales tax cap and increase motorist related fee and fines. Further, we believe any additional funding should be phased in over time to allow taxpayers time to adjust to new rates and assures that sufficient funds will be available allowing SCDOT and its industry partners to ramp up their production capabilities to meet the additional project demand.

- **Increase the existing motor fuel user fee**
 - Was increased to **16 cents per gallon** in 1987 and has not increased since.
 - A one cent increase equals an additional \$35 million in revenue.
 - A ten cent per gallon increase would cost motorist an additional \$50 annually.
 - Approximately **30%** Paid by Out-of-State motorists
 - Use of petroleum-based fuels will continue to be a majority, with only a **.2%** decline annually through 2040, a total decline of **5%** over 25 years, based on estimates by the US Department of Energy.
- **Index the motor fuel user fee (Rounded to the nearest cent)**
 - Indexed to CPI, CAFE, population growth, adjusted price of fuel, or highway construction cost.
- **Increase Motor Vehicle Sales Tax, Driver's License Fees, Automobile, and Truck Registration Fees**
 - SC has a 5% Motor Vehicle Sales Tax with a \$300 cap. North Carolina has 3% tax with no cap, and Georgia has a 7% tax with no cap. Increasing the cap to \$600 would generate an addition \$88M - \$100M.
 - The yearly fee for a South Carolina Driver's License is **\$2.50**, the lowest in the Southeast. A \$1.00 increase would generate **\$3.3 million dollars per year**.
- **Continue to allocate redirected funding to the State Highway Fund**

By building upon South Carolina's current multi-modal development and providing SCDOT with the necessary funding to modernize and repair the highway system, the state will continue to prosper.

Overall, strategic investment of State funding in SC's transportation infrastructure will result in economic growth and greater quality of life.

South Carolina Alliance to Fix Our Roads: *Policy Statement*

At the core of our organization's purpose is the clearly defined SCFOR Policy Statement:

Ensure a safer and more efficient highway system by providing SCDOT with adequate funding to meet the agency's needs through the passage of a sustainable, dedicated, and recurring funding mechanism.

As such, SCFOR supports continued strategic investment in South Carolina's infrastructure network to improve quality of life for citizens and visitors to the Palmetto State.

1. Provide SCDOT with sustainable, dedicated and recurring funding to meet the state's growing transportation infrastructure needs.
 - a. Increase and index the motor fuel user fee.
 - b. Increase the vehicle sales tax cap.
 - c. Implement reasonable adjustments to vehicle/driver-related fees.
2. Address the state's transportation needs in a fiscally responsible and conservative manner by phasing in any new funding.
3. Support a strategic safety plan to lower the fatality rate on South Carolina highways which are the second deadliest in the nation with over 900 deaths occurring annually.
4. Dedicate current transportation funding to SCDOT and safeguard transportation funding from legislative redirects to the General Fund or other government agencies.

We Will Continue To:

- Serve as the principal transportation funding lobby at the South Carolina Capitol.
- Provide powerful information to stakeholders and strategic direction to members.
- Serve as on-call experts to the media.
- Facilitate the public outcry for better roads into legislative action.