

# Traffic jam

*States struggle to find money to relieve congested roads*

BY BARRY HOPKINS

**T**raffic congestion is not only clogging the nation's highways, but it is also draining a weak economy at a time when states are grappling with budget shortfalls that endanger future transportation funding.

Even if Congress comes through with full-level federal highway funding by reauthorizing the Transportation Equity Act, many states will still be left struggling with transportation trends that could hinder their economic recovery.

One of those trends, traffic congestion, is garnering more attention throughout the country.

Congestion not only places stress on the nation's roadways and bridges, it costs state economies productivity and wasted fuel, according to a study by the Texas Transportation Institute, *The 2002 Urban Mobility Report*.

According to TTI, motorists are spending more time tied up in rush hour and traffic jams that are lasting longer and snarling traffic on an increasing number of highways.

In 2000, according to the TTI study, this congestion cost state economies a collective \$58.5 billion in lost productivity and more than \$9 billion in wasted fuel.

Since 1990, congestion has grown worse. According to analysis by The Road Information Project, travel on interstates and other freeways increased more than 38 percent between 1990 and 2000, rising from 606 billion annual miles to 839 billion.

That increase in travel is outstripping the miles of roads built to accommodate more traffic. According to the TRIP



analysis, during this same period the total number of freeway miles grew approximately 8 percent, from 232,436 to 250,315. This means the rate of travel grew five times faster than the rate for adding new freeways.

In urban areas, the numbers reveal even greater patterns of gridlock. Urban areas contain almost three-quarters of the nation's population and the roadways in these areas account for more than 61 percent of all miles driven in the United States. According to TRIP's analysis of the TTI report, 64 percent of all travel in the nation's 68 largest urbanized areas occurs in "moderate" to "extreme" traffic congestion, compared with 35 percent in 1982.

For commuters and travelers, this means longer traffic delays. TTI reports that delays in urban areas throughout the United States have increased by more than 41 percent since 1990. As a result, urban rush hour drivers spend an average of 62 hours annually stuck in traffic, compared with 44 hours in 1990 and only 16 hours in 1982. As the 2000 Census found, the average commute nationally has increased to 25.5 minutes from 22.4 minutes in 1990.

## Business impact

Traffic congestion also poses problems for states beyond their roadways. Urban areas within some states become

less attractive to businesses. They find it harder to receive goods and raw materials and more difficult to move products out of these areas.

With wide adoption of lean manufacturing and "just-in-time" production methods, the efficient transportation of goods and materials is often crucial to companies. Therefore, congested areas could result in companies locating or expanding in less traffic-clogged areas of the nation. Those that stay in these congested areas will see their business costs rise and most likely will pass those costs on to consumers, contributing to the higher cost of living in these zones of the country.

Some urban areas are already seeing increased levels of inflation and increased costs to motorists. According to a TRIP analysis, congestion may have added more than 0.5 percent per year to the Seattle area inflation rate over the past 17 years.

The cumulative affect is that in 2000, Seattle consumers paid an estimated \$9 billion in higher prices because of traffic congestion.

In addition to higher consumer prices, TRIP estimates that the average U.S. motorist pays an additional \$358 annually in vehicle operating costs because they are driving on deteriorated roads. These costs are dramatically higher for areas with above-average congestion levels.

Beyond the loss of economic activity

that accompanies increased congestion, we can start to see another cost for states: loss of residents because of quality of life and cost of living issues related to congestion. Many states will see a loss in population in these urban areas as residents seek less densely populated areas in other states.

Several cities and urbanized areas across the country are already beginning to realize potential costs stemming from congestion brought on by rapid growth and suburbanization. Many were not ready to handle this growth properly, resulting in their inability to attract businesses to the area because of a loss of talented workers and subsequent economic decline.



### Voter response mixed

Officials and private sector leaders in areas such as Atlanta and the urbanized area of Northern Virginia have been struggling to identify measures to deal with these very issues. In Atlanta, according to TRIP, the average commute to work increased from 26 minutes to 31.2 minutes between 1990 and 2000. In Northern Virginia, many public officials and business leaders have called for an increased sales tax to fund crucial road and mass transit projects to help relieve congestion and foster continued economic

health and expansion. The measure made it onto the November ballot but was rejected by the voters.

Northern Virginia's failed ballot initiative hints at the problems many state officials will face when dealing with the transportation problems brought on by congestion. As economic woes in many states force legislators to consider where the money will come from to fund needed transportation improvements, many state and local governments turned to voters in 2002 to help them increase local transportation investments. In November, there were 30 transportation initiatives on ballots across the nation. The majority dealt with local and regional measures to increase taxes to help pay for roads and

Texas; and Spokane, Washington.

In Florida, however, Miami/Dade County voters in November approved raising the sales tax by a half-cent to fund mass transit. Seattle voters approved higher license tag fees to fund an elevated monorail. And in Nevada, voters in Las Vegas approved a one-eighth of a cent sales tax increase to pay for roads and expanding transit systems.


### Planning crucial

While several states were successful with ballot measures for funding future transportation needs and improvements, many states will experience problems just maintaining current transportation infrastructure, much less funding expansion.

Federal Transit Administrator Jennifer Dorn recently testified before the U.S. Senate that approximately \$14.8 billion in annual investment will be needed over the next 20 years just to maintain the condition and performance of the nation's public transit systems.

And, according to *Bottom Line Report 2002*, the American Association of State Highway Transportation Officials' report on transportation funding needs, \$92 billion in investment is needed annually from all levels of government to maintain the current conditions and performance of the nation's highway system. According to AASHTO, in order to reduce congestion, lower user costs and improve road conditions, more than \$125 billion would be needed from all levels of government.

Road usage is expected to grow by more than two-thirds during the next decade, exceeding three trillion vehicle miles traveled annually, according to AASHTO, and transit ridership will possibly reach 12.5 billion. Therefore, major planning and investment in transportation infrastructure will be crucial.

Given the current economic woes many states currently face and the possible lack of adequate transportation funds, state leaders will have to begin to give serious thought to finding innovative solutions to address traffic congestion. 

— Barry Hopkins is the lead infrastructure policy analyst at *The Council of State Governments*.