

NC Chamber: State will fall behind if roads not improved

By MARTHA WAGGONER - Associated Press - Wednesday, January 28, 2015

RALEIGH, N.C. (AP) - North Carolina will face serious problems such as increased joblessness, more highway deaths and further congestion if politicians don't develop a strategy for funding transportation needs, business leaders said Wednesday as the General Assembly met for the first day of a new session.

"North Carolina, in our opinion, is at a crisis point," said Lew Ebert, president and chief executive officer of the N.C. Chamber. The crisis will deepen in July when the state must refigure the gas tax, which will drop because of the decrease in the price of oil, he said. The gas tax provides about 70 percent of the Transportation Department's budget.

The state faces a funding gap of \$65 billion to pay for transportation needs and has no strategy to cover that difference, he said at a news conference.

"This is probably the most studied issue in recent North Carolina history," he said. "The only thing that's happened since all the studies have been written is the needs have become more urgent. And like most big problems, they don't get better with time."

Although the Chamber handed out a report the Institute for Transportation and Research and Education at North Carolina State University that included funding options, Ebert declined to endorse any of those possibilities, which include tax increases.

"We're not endorsing any specific idea," he said "We don't think that's our role. We think that's what elected officials are here to do."

It's also likely that the Chamber would have a hard time reaching a consensus within its own membership on the best way to pay for the funding gap. Kit Cramer, president and CEO of the Asheville Area Chamber of Commerce, said her members couldn't agree.

"Now we have to find a way to fund the list of needs, the growing list of needs, that has been developed," she said. "We recognize that that'll be a challenge. We asked our own members of the Asheville chamber about how they would choose to fund transportation infrastructure improvements, and what we learned is everybody wants the improvements, but nobody can agree on how to pay for it. The General Assembly has a tough row to hoe in that regard."

Gov. Pat McCrory has said he'll propose a bond of at least \$1 billion for some road projects and offer funding options. A DOT spokesman said the department shares the chambers concerns about funding improvements.

Senate leader Phil Berger, R-Rockingham, acknowledged Wednesday in an interview the state can't whittle down the transportation funding shortfall through bonds alone. He said he wouldn't shut the door on locating new revenue sources for transportation but said support will depend on the amount of revenue generated and by what method.

Rep. John Torbett, a chairman on two House transportation committees, said infrastructure is perhaps one area where Republicans may be willing to generate more revenue because it's such a key responsibility of government.

"We are desperately aware of raising taxes on our citizens, and we do not want to do that without just cause," said Torbett, R-Gaston.