

EXECUTIVE SUMMARY

Sometimes we complain about traffic congestion, potholes, and delays. But generally we take for granted the roads we drive on to and from work each day. We know that roads are different from other goods and services. They are called common goods and we fund them with taxes.

But how exactly do our roads get paid for? How do they get planned and built? Who gets what, where and why? Why are some roadways congested while others are empty? And who should we complain to since we can't take our business elsewhere?

North Carolina was once affectionately known as "The Good Roads State." After consistently ranking in the top 10 in terms of quality, safety and congestion, the state's transportation ratings rapidly fell during the second Jim Hunt (D) administration (mid-

1990s). Since that time, North Carolina's transportation system has ranked in the bottom half, hovering in the range of the 30s and 40s. As of 2004, North Carolina's transportation system was 36th overall, with specific component ratings as follows:

- ▶ Rural Interstate poor pavement – 39th
- ▶ Urban Interstate poor pavement – 35th
- ▶ Rural Primary poor pavement – 42nd
- ▶ Urban Interstate congestion – 48th
- ▶ Fatality Rate – 31st
- ▶ Deficient Bridges – 37th

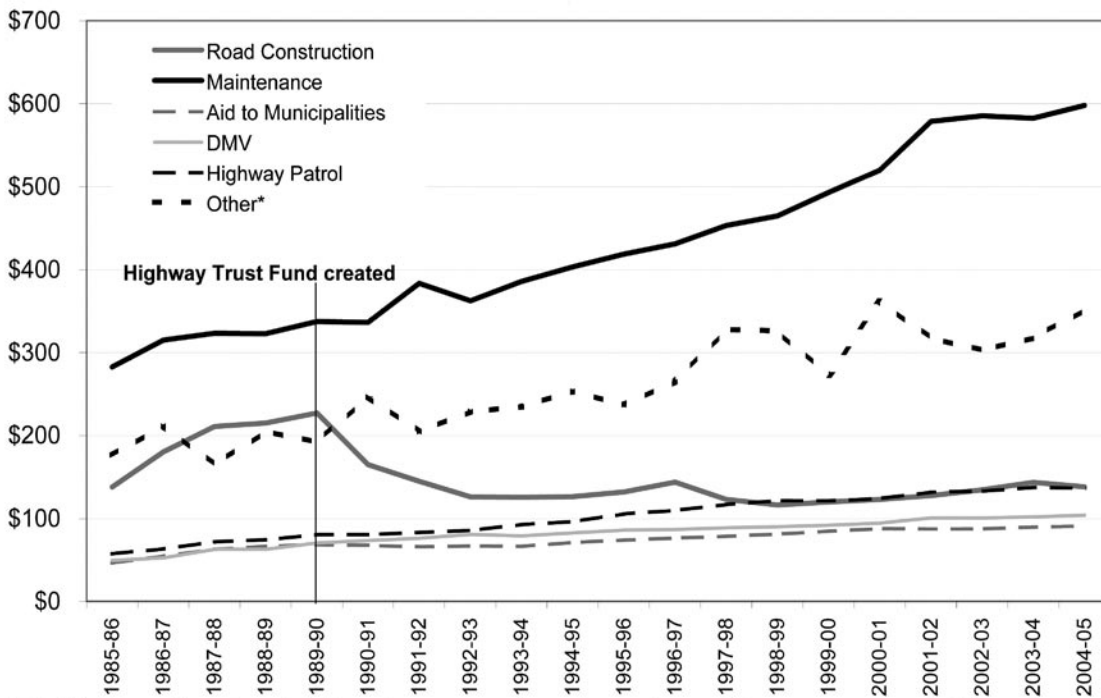
During this same period — 1995 to 2005 — North Carolina's transportation spending grew by nearly 50 percent, from \$1.68 billion to \$2.44 billion. Spending has risen, in part, because North Carolina has experienced unprecedented growth over the last 20 years. But how state authorities have responded to such growth is telling.



In order to understand the big picture, this guide tells this tale in three parts:

- ▶ Part One is a series of Key Terms that should help familiarize readers with the basic jargon and concepts of transportation policy.
- ▶ Part Two is a Question & Answer (Q&A) section designed to get to the heart of transportation issues in North Carolina, including both problems and possibilities for improvement.
- ▶ Part Three is a Timeline that lays out, in broad strokes, some major transportation policy-related events in the 20 years between 1985 and 2005.

Highway Fund Appropriations (millions of dollars)



Other includes: public service roads, bridge replacement, spot safety, contingency, ferry, capital improvements, governor's highway safety, railroad program, airports, public transportation, OSHA, non-system streets, motor carrier safety, FEMA, and administration.

The 20-year-period between 1985 and 2005 is a series of discrete events in the history of North Carolina transportation policy, but these make up a larger picture. Our approach is to highlight these events chronologically to allow that overall picture to form in the reader's mind. But before we get started, certain trends and historical threads are worth emphasizing.

Take, for example, the long, winding route that brings light rail to North Carolina. Charlotte's light-rail project began as a disparate set of ideas about transit improve-

ment that cropped up in the early 1990s. Governor Jim Hunt had begun pushing intermodal transportation, emphasizing both intercity rail and mass transit within cities. Prominent figures in Charlotte became enamored with rail projects in “world class cities” like Portland, despite the expense and yearly subsidies. And the Triangle had a vision of tracks linking its cluster of urban research centers and residential areas. This confluence of events — studies, meetings and visions — has taken more than a decade to realize.

And what of the story of the Highway Trust Fund (HTF), the most ambitious public works project in North Carolina history? From its inauspicious beginnings in the minds of a team formed around Governor Jim Martin in the late 1980s, to a maturing fund with massive surpluses, to subsequent raids by Governor Easley and the General Assembly — the HTF’s story crosses four administrations. Linked to the HTF’s history are mixed accounts of how public officials spend money on transportation in the state. At the time of its crafting, the HTF seemed like a technocratic wonder. But over the years, its weaknesses would be exposed as surely as the weaknesses of those responsible for guarding it.

Of course, any timeline of North Carolina transportation issues cannot omit references to scandal. Good old boy networks, dubious projects, quid pro quo arrangements, political appointments, and patronage seem like permanent fixtures of North Carolina’s Board of Transportation. These scandals give us only a glimpse of how much has been wasted on unnecessary projects and ethical lapses, but a glimpse nevertheless. Can the system be changed through reform? Or is such corruption inevitable?

Finally, images are often worth more than words, so we have included charts and graphs to give readers an idea of various transportation trends. As one might imagine, North Carolina spends more and more each year on transportation. The question becomes: are taxpayers getting the most out of their money? National rankings suggest no.

As we look back at some of the events that have carried us to the present time, we should try to make sense of them as part of a larger narrative. For if we can, we may find elements of state transportation policy worth keeping and elements better left in the past. Indeed, we may even find a spark or insight that will light the way for change.